



NOTICE OF MEETING

The regular meeting of the Incline Village General Improvement District will be held starting at **6:00 p.m.** on **September 2, 2021** at 893 Southwood Boulevard, Incline Village, Nevada and via Livestream/Zoom.

Public comment is allowed and the public is welcome to make their public comment either via e-mail (please send your comments to info@ivgid.org by 4:00 p.m. on September 2, 2021) or via telephone (the telephone number will be posted to our website on the day of the meeting). The meeting will be available for viewing at <https://livestream.com/accounts/3411104>.

In addition, if a member of the public wishes to hear, observe, participate in and provide public comment at the meeting, using Livestream/Zoom, they may do so by coming to the Boardroom at 893 Southwood Boulevard, Incline Village, Nevada. A notification of this attendance would be greatly appreciated by telephoning the District Clerk at (775) 832-1207 or sending an e-mail to info@ivgid.org. We appreciate your help with this process. (Reference is made to Assembly No. 253)

A. PLEDGE OF ALLEGIANCE*

B. ROLL CALL OF TRUSTEES*

C. INITIAL PUBLIC COMMENTS* - *Unless otherwise determined, the time limit shall be three (3) minutes for each person wishing to make a public comment. Unless otherwise permitted by the Chair, no person shall be allowed to speak more than once on any single agenda item. Not to include comments on General Business items with scheduled public comment. The Board of Trustees may address matters brought up during public comment at the conclusion of the comment period but may not deliberate on any non-agendized item.*

D. APPROVAL OF AGENDA (for possible action)

The Board of Trustees may make a motion for a flexible agenda which is defined as taking items on the agenda out of order; combining agenda items with other agenda items; removing items from the agenda; moving agenda items to an agenda of another meeting, or voting on items in a block.

-OR-

The Board of Trustees may make a motion to accept and follow the agenda as submitted/posted.

E. REVIEW OF THE LONG RANGE CALENDAR (for possible action) – **page 4**

F. REPORTS TO THE BOARD* - Reports are intended to inform the Board and/or the public.

1. Verbal report from Audit Committee Chairman Raymond Tulloch about their August 18, 2021 meeting

G. CONSENT CALENDAR (for possible action) (In cooperation with the Chair, the General Manager may schedule matters for consideration on a Consent Calendar. The Consent Calendar may not include changes to budget, user rates or taxes, adoption or amendment of ordinances, or any other action which is subject to a public hearing. Each consent item shall be separately listed on the agenda, under the heading of "Consent Calendar". A memorandum containing all relevant information will be included in the packet materials for each Consent Calendar item. The memorandum should include the justification as a consent item in the Background Section. Any member of the Board may request the removal of a particular item from the Consent Calendar and that the matter shall be removed and addressed in the General Business section of the meeting. A unanimous affirmative vote shall be recorded as a favorable motion and approval of each individual item included on the Consent Calendar.)

1. Review, discuss, and possibly authorize Additional Services Amendment #2 for the Effluent Pond Lining Project – 2599SS2010 – Fund: Utility; Division: Sewer; Vendor: Jacobs Engineering, Inc., in the amount of \$425,339.00 for the Effluent Pond Lining Project - Phase II Pond Lining Preliminary and Final Design Professional Services, plus up to approximately 10% contingency (Requesting Staff Member: Director of Public Works Brad Underwood) – **pages 5 - 23**

Incline Village General Improvement District

Incline Village General Improvement District is a fiscally responsible community partner which provides superior utility services and community oriented recreation programs and facilities with passion for the quality of life and our environment while investing in the Tahoe basin.

893 Southwood Boulevard, Incline Village, Nevada 89451 • (775) 832-1100 • FAX (775) 832-1122

www.yourtahoeplace.com

NOTICE OF MEETING

Agenda for the Board Meeting of September 2, 2021 - Page 2

2. Review, discuss and possibly approve a Professional Services Contract for Public Utility Rate Study for Provision of Water and Sewer Services; Vendor: HDR Engineering, Inc.; Amount: \$74,935; Fund 200 (Utilities) (Requesting Staff Member: Director of Public Works Brad Underwood) – **pages 24 - 61**
3. Review, discuss, and possibly authorize or approve a construction contract for the Mountain Golf Course Cart Path Replacement Phase I Project - 3241LI2001 - Fund: Community Services; Division: Mountain Golf; Vendor: F. W. Carson Co., in the amount of \$357,138.80; plus 10% contingency (Requesting Staff Member: Director of Public Works Brad Underwood) – **pages 62 - 307**
4. Authorization to Transact Under Blanket Purchase Orders for Fiscal Year 2021/22, Pursuant to NRS 332.115 and Board Policy 3.1.0 (Requesting Staff Member: Director of Finance Paul Navazio) – **pages 308 - 330**
5. Review, discuss, and possibly authorize a purchase contract in the amount of \$87,545.08 for the purchase of 40 Verkada Security Cameras and their associated licenses; FY2021/22 CIP Project – Security Cameras (CIP#1213CE2105); Vendor: SHI; Fund: General Fund; Division: Administration – Information Services (Requesting Staff Member: Director of Information Technology Mike Gove) – **pages 321 - 326**

H. GENERAL BUSINESS (*for possible action*)

1. Review, discuss and possibly approve an agreement for media buying services for 2021/22; Venues: Diamond Peak, Championship Golf Course, Mountain Golf Course, Facilities; Vendor: EXL Media; Agreement Amount: Up to \$201,500 in paid media spending, \$10,000 in trade media spending, and up to \$53,500 in agency fees – a grand total of up to \$265,000 (Requesting Staff Member: Director of Golf/Community Services Darren Howard) – **pages 327 - 336**
2. Review, discuss, and possibly provide direction on next steps to further discuss and/or recommended revisions to Policy 16.1.1 Recreation Roll Policy (Requesting Staff Member: District General Manager Indra Winquest) – **pages 337 - 386**
3. Review, discuss, and potentially approve a scope of work for special legal counsel related to the beach deed and authorize the General Manager to execute a contract with counsel not-to-exceed \$25,000 (Requesting Staff Member: District General Counsel Joshua Nelson) – **pages 387 - 388**
4. Review, discuss, and potentially approve a scope of work to review and update IVGID policies related to Dillon's Rule (Requesting Staff Member: District General Counsel Joshua Nelson) – **pages 389 - 390**
5. Review, discuss and possibly approve the District's Strategic Plan for 2021-2023 (Requesting Staff Member: District General Manager Indra Winquest) – **pages 391 - 455**
6. Policy 15.1.0: Accounting, Auditing and Financial Reporting, Audit Committee
 - (a) Review, discuss and possibly adopt recommendations for changes to Board Policy 15.1.0 as recommended by the Audit Committee (Requesting Audit Committee Member: Audit Committee Chairman Raymond Tulloch) – **pages 456 - 485**



NOTICE OF MEETING

Agenda for the Board Meeting of September 2, 2021 - Page 3

- (b) Review, discuss and provide direction on possible revisions as recommended to Board Policy 15.1.0 – Audit Committee (Requesting Trustee: Board Chairman Tim Callicrate) – **pages 486 - 511**

- 7. Audit Committee: Discuss and possibly appoint a Trustee to the Audit Committee (Requesting Trustee: Board Chairman Tim Callicrate) – **page 512**

- 8. Discussion regarding framework for a future Board training; discussion will be led by Board Chairman Tim Callicrate

- I. MEETING MINUTES *(for possible action)*
 - 1. Meeting Minutes of August 10, 2021 – **page 513 - 557**

- J. FINAL PUBLIC COMMENTS* - Limited to a maximum of three (3) minutes in duration.

- K. ADJOURNMENT *(for possible action)*

CERTIFICATION OF POSTING OF THIS AGENDA

I hereby certify that on or before Monday, August 30, 2021 at 9:00 a.m., a copy of this agenda (IVGID Board of Trustees Session of September 2, 2021) was delivered to the post office addressed to the people who have requested to receive copies of IVGID's agendas; copies were e-mailed to those people who have requested; and a copy was posted, physically or electronically, at the following locations in accordance with Assembly Bill 253:

- 1. IVGID Anne Vorderbruggen Building (893 Southwood Boulevard, Incline Village, Nevada; Administrative Offices)
- 2. IVGID's website (www.yourtahoeplace.com/Board of Trustees/Meetings and Agendas)
- 3. State of Nevada public noticing website (<https://notice.nv.gov/>)

/s/ Susan A. Herron, CMC

Susan A. Herron, CMC

District Clerk (e-mail: sah@ivgid.org/phone # 775-832-1207)

Board of Trustees: *Tim Callicrate - Chairman, Matthew Dent, Sara Schmitz, Kendra Wong, and Michaela Tonking.*

Notes: *Items on the agenda may be taken out of order; combined with other items; removed from the agenda; moved to the agenda of another meeting; moved to or from the Consent Calendar section; or may be voted on in a block. Items with a specific time designation will not be heard prior to the stated time, but may be heard later. Those items followed by an asterisk (*) are items on the agenda upon which the Board of Trustees will take no action. Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to call IVGID at 832-1100 at least 24 hours prior to the meeting. **IVGID'S agenda packets are available at IVGID's website, www.yourtahoeplace.com; go to "Board Meetings and Agendas".***

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra S. Winqest
District General Manager

FROM: Paul Navazio
Director of Finance

SUBJECT: Authorization to Transact Under Blanket Purchase Orders for Fiscal Year 2021/22, Pursuant to NRS 332.115 and Board Policy 3.1.0

DATE: September 2, 2021

I. RECOMMENDATION

Staff recommends that the Board of Trustees authorize blanket Purchase Orders for selected vendors for FY2021/22 transactions for amounts not-to-exceed those specified in Attachment A to this Board memo.

II. BACKGROUND

Prior to September 2020, Board Policy 3.1.0 provided that contracts not subject to the advertising and competitive bidding requirements established by the NRS (332.115) may be “authorized, approved and executed by the General Manager.”

In September 2020, Board Policy 3.1.0 was revised by the Board such that the General Manager’s spending authority is now strictly limited to contracts not exceeding \$50,000. Policy 3.1.0 no longer provides General Manager authority to approve contracts (and Purchase Orders) that are exempt from public advertising and competitive bidding requirements under the NRS.

Accordingly, Board approval is needed to establish blanket Purchase Orders for planned procurement activities assumed within the FY2021/22 approved budget, estimated to exceed \$50,000 and for which no further action is required per applicable NRS provisions and Board policies.

NRS 332.115 provides for selected exceptions to the public advertising and competitive bidding requirements.

While previous Board policy delegated authority to approve these purchases to the General Manager, as a result of amendments to Board Policy 3.1.0, Board approval is now required for most Purchase Orders exceeding \$50,000.

This agenda item seeks Board approval to establish blanket Purchase Orders for selected vendors where transactions are:

- 1) Estimated to exceed \$50,000 for fiscal year 2021/22, and
- 2) Where the commodity or service procured is specifically exempted (NRS 332.115) from public advertising and competitive bidding requirements.

III. DISCUSSION

The District's Purchasing Policy establishes that a purchase order is required for any contract or procurement exceeding \$5,000. While many Purchase Orders are tied to specific contracts or individually bid procurements, blanket Purchase Orders are used to cover multiple transactions with a single vendor, typically for routine and recurring transactions.

Most Purchase Orders exceeding \$50,000 require Board approval, provided that the underlying contract has been let consistent with the public bidding requirements set forth in the NRS as well as the District's Purchasing Policy.

Exceptions to public advertising and competitive bidding requirements

NRS 332.115 provides for selected exceptions to the public advertising and competitive bidding requirements (see attached).

While previous Board policy delegated authority to approve these purchases to the General Manager, as a result of amendments to Board Policy 3.1.0, Board approval is now required for most Purchase Orders exceeding \$50,000.

Additionally, Purchase Orders or procurement of selected services are deemed authorized through Board approval of the annual budget and, as such, do not require additional Board action.

Included as Attachment A to this Board memo is a schedule of those vendors for which ongoing and routine District expenditures are estimated to exceed \$50,000 for Fiscal Year 2021/22, and for which transaction activity has been determined to be exempt from the public advertising and competitive requirements of the NRS. Attachment A also provides a brief description of the commodity or service to be procured via the proposed Purchase Orders.

Transactions Deemed Approved Via the Annual Budget Process.

A select number of procurement transactions are deemed approved by the Board of Trustees via funding approved as part of the annual budget process, and for which no additional Board approval is required. These transactions are generally associated with banking, insurance and utility costs established via inter-agency agreements, or services provided by single-source providers.

A listing of these estimated annual costs, as provided for in the approved FY2021/22 budget, is included in Attachment A for disclosure purposes.

IV. CONCLUSION

This agenda item seeks Board approval to establish blanket Purchases Orders for selected vendors, as specified in Attachment A, where transactions are:

- 1) Estimated to exceed \$50,000 for Fiscal Year 2021/22, and
- 2) Where the commodity or service procured is specifically exempted (NRS 332.115) from public advertising and competitive bidding requirements.

V. ATTACHMENTS

Attachment A:

Schedule of FY2021/22 Blanket Purchase Orders by Vendor (amounts Not-to-Exceed)

Attachment B:

NRS 332.115 - Contracts not adapted to award by competitive solicitation

Vendor	Lead Dept	Board Approval Required	EXEMPT from Bidding NRS 332.115	2021/22 Estimates	Comments / Descriptions
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Supplies and Services

Active Networks, LLC	IT	Y	1.i.2	\$ 80,000	Provides annual software maintenance and support to RTP point of sales system for ski and food and beverage. This purchase is not subject to competitive bidding within the meaning of NRS 332.115 (1) (b) (c) (h).
Belkorp AG, LLC	PW	Y	1.d	\$ 55,000	Provider of John Deere parts and repairs.
Kassbohrer All Terrain Vehicles	PW	Y	1.a, d.	\$ 100,000	The Diamond Peak grooming fleet consists of five Pisten Bully snow cats and KATV is the North American dealer for sales, service, and parts. All service and repair parts other than a few oil filters, fuel filters, and light bulbs are only available through KATV and no other aftermarket parts are available. This purchase is not subject to competitive bidding as provided in NRS 332.115 (1) (a).
Incline Auto Parts (NAPA)	PW	Y	x	\$ 100,000	Local upplier of vehicle parts and supplies for Fleet services.
CDW Government, Inc.	IT	Y	1.i.2		Purchase of information technology equipment under GSA and other joinder agreement contracts. This purchase is not subject to competitive bidding within the meaning of NRS 332.115 (1) (c) (d) (g) (m).
Clean Harbor (formerly Stericycle)	PW	Y	1.a.b.	\$ 65,000	Annual household hazardous waste (HHW) processing (packing, transport, disposal, manifests, labor) services.
Dell Computer Corporation	IT	Y	1.g	\$ 75,000	Purchase of tablets, computers, switches and associated parts and supplies for District technology needs. Currently, there are over 200 personal computers and laptops manufactured by Dell in use throughout the District. Of this count, approximately 50 are in rotation to be replaced. Other items purchased from Dell are personal computer hardware, network equipment and uninterruptable power supplies. The District currently gets the benefit of purchasing Dell computers and peripherals with contract pricing. This purchase is not subject to competitive bidding within the meaning of NRS 332.115 (1) (c) (d) (g) (m).
Hill Brothers Chemical Co.	PW	Y	1.a	\$ 78,944	Sole source supplier of a disinfection chemical Mag Hydroxide used for Water Resource Recovery Facility.
Olin Corporation	PW	Y	1.o	\$ 80,162	Provides chemicals used by utilities (sodium hypochlorite) and aquatics.
PQ Corporations	PW	Y	1.a	\$ 123,546	Provider of sodium silicate for Burnt Cedar WDP
Solenis, LLC	PW	Y	1.a	\$ 81,842	Supplier of polymer for solid waste handling operation, purchased in monthly quantities
Turf Star, Inc.	PW	Y	1.d	\$ 130,000	A large portion of the equipment for both golf courses and the parks department is manufactured by Toro, Tycrop, and Carryall. Turf Star is the northern Nevada dealer. This includes equipment such as mowers of all sizes, utility vehicles, fertilizer sprayer, aeration equipment, core collection equipment, large vacuums, brushes, etc. All service and repair parts not available through aftermarket sources are purchased from them. This purchase is not subject to competitive bidding within the meaning of NRS 332.115 (1) (a) (d).
Western Nevada Supply	District-wide	Y	1.a.d.	\$ 77,829	These items are clamps for pipe repair, valves, pipe, meter yokes, etc. These are replacement parts for the water and wastewater systems. We call for quotes on these items from other vendors, unless Western Nevada Supply is the sole distributor in the area. In this case this purchase is not subject to competitive bidding within the meaning of NRS 332.115 (1) (a).

Purchase Orders Subject to GM Authority

Grainger	District-wide	N		< \$50K	Supplier of industrial tools and materials for repair and maintenance across the District's departments.
Harris Co.(MSGovern and Innoprise)	IT	N		< \$50K	The fee covers software maintenance and user support for Finance, Payroll and Human Resources, Attendance Enterprise (Timekeeping devices and software) and Third Party Support systems such as Unisys and Secure Pay. The District has purchased additional licenses which add
OfficeMax, Inc. (Office Depot) Office Max is not a vendor	Fin	N		< \$50K	The District purchases a variety of office supplies across all venues. These purchases are made under a State pricing contract
Tahoe Supply Company, LLLC	Bldg.	N		< \$50K	The District purchases the majority of the janitorial supplies from Tahoe Supply Company which is then dispersed to the different venues from the Sweetwater warehouse. They are a locally owned Incline Village company with warehouses in Carson City and Reno and can provide product and support on demand. Their prices consistently meet or beat other suppliers.
Sierra Pacific Turf Supply, Inc.	Golf	N		< \$50K	This is for fertilizer and chemicals in support of the golf courses. Purchases of fertilizer and chemicals are made after obtaining competitive pricing from each vendor and selecting the best price
Village Ace Hardware	District-wide	N		< \$50K	Specific staff are identified in qualifying venues to purchase corrective repair and minor supply items throughout their season. The authorized list is reviewed monthly. Each purchase is individually reconciled.

Vendor	Lead Dept	Board Approval Required	EXEMPT from Bidding NRS 332.115	2021/22 Estimates	Comments / Descriptions
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Direct Fuel Purchases

Flyers Energy, LLC	PW	Y	1.o	\$ 120,000
Thomas Petroleum	PW	Y	1.o	\$ 100,000

The District receives price quotes from each vendor in advance of each purchase. Three vendors are regularly considered. They are Flyers Energy, LLC, Petroleum Distributors, and Thomas Petroleum, LLC.

Purchase Orders Subject to GM Authority

Petroleum Distributors	PW	N		< \$50K
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Purchases for Resale Inventory

Sierra Meat Co.	F&B	Y	1.p	\$ 175,000
Southern Wine & Spirits	F&B	Y	1.p	\$ 135,000
Swire Coca-Cola USA	F&B	Y	1.p	\$ 50,000
Sysco Food Services	F&B	Y	1.p	\$ 60,000
US Foodservice, Inc.	F&B	Y	1.p	\$ 450,000

Purchase Orders Subject to GM Authority

Acushnet Company	Golf	N		< \$50K
Breakthru Beverage NV Reno, LLC	F&B	N		< \$50K
Callaway Golf/Ogio	Golf	N		< \$50K
Capital Beverage	F&B	N		< \$50K
Cobra PUMA Golf	Golf	N		< \$50K
Greg Norman / Tharanco Lifestyles, LLC	Golf	N		< \$50K
L&C Cook Specialty Foods, Inc.	F&B	N		< \$50K
New West Distributing	F&B	N		< \$50K
Produce Plus	F&B	N		< \$50K

The District routinely buys food, beverage and alcohol items and soft goods for resale. All of these purchases are exempt from bidding requirements. each represent over \$25,000 in fiscal year purchases.

TRANSACTIONS AUTHORIZED THROUGH ANNUAL BUDGET APPROPRIATIONS - Exempt from Separate Board Action

Banking

Wells Fargo Bank, NA	Fin	exempt		< \$50K
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Insurance

Menath Insurance (Nevada POOL/PACT)	Fin	exempt		\$ 725,245
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Utilities

AT&T	Fin	exempt		up to amount(s) if included FY2021/22 budget.
NV Energy	Fin	exempt		
Southwest Gas	Fin	exempt		
Waste Management	PW	exempt		

NRS 332.115 Contracts not adapted to award by competitive solicitation; purchase of certain equipment by local law enforcement agency, response agency or other local governmental agency; purchase of goods commonly used by hospital.

1. Contracts which by their nature are not adapted to award by a competitive solicitation, including contracts for:
 - (a) Items which may only be contracted from a sole source;
 - (b) Professional services;
 - (c) Additions to and repairs and maintenance of equipment which may be more efficiently added to, repaired or maintained by a certain person;
 - (d) Equipment which, by reason of the training of the personnel or of an inventory of replacement parts maintained by the local government is compatible with existing equipment;
 - (e) Perishable goods;
 - (f) Insurance;
 - (g) Hardware and associated peripheral equipment and devices for computers;
 - (h) Software for computers;
 - (i) Maintenance and support for:
 - (1) Hardware and associated peripheral equipment and devices for computers; and
 - (2) Software for computers;
 - (j) Equipment containing hardware or software for computers;
 - (k) Books, instructional materials, library materials and subscriptions;
 - (l) Motor vehicle fuel purchased by a local law enforcement agency for use in an undercover investigation;
 - (m) Motor vehicle fuel for use in a vehicle operated by a local law enforcement agency or local fire department if such fuel is not available within the vehicle's assigned service area from a fueling station owned by the State of Nevada or a local government;
 - (n) Purchases made with money in a store fund for prisoners in a jail or local detention facility for the provision and maintenance of a canteen for the prisoners;
 - (o) Supplies, materials, equipment or services that are available pursuant to an agreement with a vendor that has entered into an agreement with the General Services Administration or another federal governmental agency located within or outside this State;
 - (p) Items for resale through a retail outlet operated in this State by a local government or the State of Nevada;
 - (q) Commercial advertising within a recreational facility operated by a county fair and recreation board;
 - (r) Goods or services purchased from organizations or agencies whose primary purpose is the training and employment of persons with disabilities; and
 - (s) The design of, and equipment and services associated with, systems of communication.

↪ are not subject to the requirements of this chapter for a competitive solicitation, as determined by the governing body or its authorized representative.
 2. The purchase of forensic equipment and supplies used in forensic analysis or other equipment for use by a local law enforcement agency in the course of an undercover investigation is not subject to the requirements of this chapter for a competitive solicitation, as determined by the governing body or its authorized representative, if:
 - (a) The equipment is an electronic or mechanical device which by design is intended to monitor and document in a clandestine manner suspected criminal activity;
 - (b) Purchasing the equipment pursuant to such requirements would limit or compromise the use of such equipment by an agency authorized to conduct such investigations; or
 - (c) The equipment and supplies are:
 - (1) Used in analysis in such investigations; or
 - (2) Required to comply with specific forensic standards or quality standards.
 3. The purchase of personal safety equipment for use by a response agency or any other local governmental agency is not subject to the requirements of this chapter for a competitive solicitation, as determined by the governing body or its authorized representative, if:
 - (a) The personal safety equipment will be used by personnel of the response agency or other local governmental agency in preventing, responding to or providing services of recovery or relief in connection with emergencies, acts of terrorism or other natural or man-made disasters in which the health, safety or welfare of those personnel may be compromised, impaired or otherwise threatened; and
 - (b) The cost of the personal safety equipment is comparable to the cost of similar personal safety equipment that is available for purchase by the public.
 4. The purchase of goods commonly used by a hospital, including, without limitation, medical equipment, implantable devices and pharmaceuticals, by the governing body of a hospital or its authorized representative is not subject to the requirements of this chapter for a competitive solicitation. The governing body of the hospital or its authorized representative shall make available for public inspection each such contract and records related to those purchases.
 5. This section does not prohibit a governing body or its authorized representative from advertising for or requesting responses.
 6. As used in this section:
 - (a) "Act of terrorism" has the meaning ascribed to it in [NRS 239C.030](#).
 - (b) "Personal safety equipment" means safety equipment that personnel of a response agency or other local governmental agency:
 - (1) Use in the course of preventing, responding to or providing services of recovery or relief in connection with emergencies, acts of terrorism or other natural or man-made disasters; or
 - (2) Wear or otherwise carry on a regular basis.

↪ The term includes, without limitation, firearms, boots, bulletproof vests or other types of body armor, protective garments, protective eyewear, gloves, helmets, and any specialized apparatus, equipment or materials approved or recommended by the United States Department of Homeland Security.
 - (c) "Response agency" means an agency of a local government that provides services related to law enforcement, firefighting, emergency medical care or public safety.
- (Added to NRS by [1975, 1538](#); [A 1987, 296, 1484, 1991, 337, 349, 648, 1934, 1935, 1997, 132, 1999, 889, 1684, 2001, 1317, 2003, 620, 2262, 2005, 226, 2554, 2019, 773](#))



Conduct Meetings of the Board of Trustees Policy 3.1.0

POLICY. The Board of Trustees will establish the time and place of the regular meeting of the Board of Trustees of the Incline Village General Improvement District and provide the manner in which special meetings of said District may be called, designating the meeting location, and establishing the order of business and rules for its proceedings for the Incline Village General Improvement District, Washoe County, State of Nevada

Notice and conduct of all meetings shall conform with the provisions in Nevada Revised Statutes (NRS) 241.020 and NRS 281A (Ethics In Government). Meeting minutes and transcripts of meeting will be in compliance with NRS 241.035.

- 0.1 Regular Meetings.** The regular meeting times and location shall be set by the Board of Trustees.
- 0.2 Special Meetings.** Special meetings of the Board of Trustees shall be held upon call of the Chair of the Board or at least two of the Trustees.
- 0.3 Meeting Place.** All Board of Trustees meetings shall be held within the District.
- 0.4 Item(s) of Business/Agenda Preparation.** The Board Chair, in cooperation with the General Manager, is responsible for preparing the agenda and supporting materials for each meeting. The Chair, in cooperation with the General Manager, will place on the Agenda any item requested by a fellow Trustee. If a person or party, including the general public, wishes to have a matter considered by the Board, a written request should be submitted to the General Manager, in advance of the meeting, allowing enough time for staff research. The amount of advance time required will be determined by the General Manager, based upon Board Policy, administrative procedure, and the facts in each instance. Unless directed otherwise by the Board, the Chair and the General Manager may delay consideration of an item, based upon the length of an agenda, need for coordination with other agenda items, meeting efficiency, or other considerations.



Conduct Meetings of the Board of Trustees Policy 3.1.0

No matter shall be heard or acted upon without all relevant materials. Public comment may be scheduled for individual agenda items in addition to the initial and closing public comment period at the discretion of the Chair. Unless otherwise determined, the time limit shall be three (3) minutes for each person wishing to make a public comment. Unless otherwise permitted by the Chair, no person shall be allowed to speak more than once on any single agenda item.

The item(s) of business at the regular meetings of said Board may include, but are not limited to:

- Pledge of Allegiance
- Roll call of Trustees
- Initial Public Comment – not to include comments on General Business items with scheduled public comment
- Approval of Agenda
- Public Hearings (if any)
- District Staff Update (if any) – once a month the General Manager is to provide a formal written report outlining the contracts/expenditures s/he approved with proper spending authority (under \$50,000)
- Review of the long range calendar
- Legal Counsel Update (if any)
- Reports to the Board – Reports are intended to inform the Board and/or the public
 - Audit Committee (if appropriate)
 - Treasurers Report (if any)
 - Payment of Bills – For District payments exceeding \$10,000 or any item of capital expenditure, in the aggregate in any one transaction, a summary of payments made shall be presented to the Board at a public meeting for review. The Board hereby authorizes payment of any and all obligations aggregating less than \$10,000 provided they are budgeted and the expenditure is approved according to District signing authority policy.
- Consent Calendar (if any)



Conduct Meetings of the Board of Trustees Policy 3.1.0

- In cooperation with the Chair, the General Manager may schedule matters for consideration on a Consent Calendar. The Consent Calendar may not include changes to budget, user rates or taxes, adoption or amendment of ordinances, or any other action which is subject to a public hearing. Each consent item shall be separately listed on the agenda, under the heading of "Consent Calendar". A memorandum containing all relevant information will be included in the packet materials for each Consent Calendar item. The memorandum should include the justification as a consent item in the Background Section.
- Any member of the Board may request the removal of a particular item from the consent calendar and that the matter shall be removed and addressed in the General Business section of the meeting.
- A unanimous affirmative vote shall be recorded as a favorable motion and approval of each individual item included on the Consent Calendar.
- General Business
- Approval of minutes
- Reports
 - Reports are intended to inform the Board and/or the public.
- Final Public Comment
- Adjournment

0.5 Rules of Proceedings.

- a. Public Meetings. All meetings of the Board shall be in accordance with NRS 241, the Nevada Open Meeting Law.
- b. Quorum. A majority of the Board of Trustees present in person or by remote communication shall constitute a quorum for the transaction of business. In no event shall any matter be approved without the affirmative vote of three trustees.
- c. Method of Action. The Board of Trustees shall act only by motion which, to become effective, shall be adopted by the affirmative vote of at least a majority of its members, which is



Conduct Meetings of the Board of Trustees

Policy 3.1.0

three (3), unless otherwise provided by statutes, including but not limited to NRS 318.280 and NRS 318.350. In the event of only three members present, the method of action must be unanimous.

The District and its Board will operate according to NRS 281A, Ethics In Government. Should a conflict of interest be a concern, the Trustee will abide by NRS 281A and potentially abstain from voting. According to NRS 241.0355, an abstention is not a vote in favor.

- d. Recording Vote. All Trustees present and voting, shall have their yes/ayes and no/nays taken on all actions taken and entered into the minutes. All Trustees shall have the equal right to vote, make and second motions. If the vote for/against any item is not unanimous, the Chair may ask the Clerk to conduct a roll call vote.
- e. Ordinances. The enacting clause of all ordinances passed by the Board shall include the word "ordinance" and be consecutively numbered. All actions to pass or revise an ordinance shall be attested by the Secretary.
- f. Contracts. Contracts proposed and/or estimated to exceed \$50,000 must be approved by the Board of Trustees. The General Manager has the authority to execute contracts, not to exceed \$50,000, so long as the funds were budgeted for the specific purpose. All documents approved or awarded by the Board shall be signed in the name of the District by the Chair and countersigned by the Secretary, unless authorization to sign is given to another person(s) by the Board.
- g. Claims. The Board of Trustees may engage the General Manager and General Counsel to negotiate on behalf of IVGID, the settlement of all property damage, personal injury, or liability claims. Final settlement of such claims must be approved by the Board. The General Manager may accept a tentative



Conduct Meetings of the Board of Trustees Policy 3.1.0

settlement, which shall not be final and binding upon IVGID, unless and until approved by the Board of Trustees.

- h. Litigation. The General Manager must obtain Board of Trustees authorization, at a public meeting, to initiate any lawsuit, appeal any decision or judgement, or retain legal counsel to defend a lawsuit.

0.6 Robert's Rules. Unless contrary to this rule, such meetings shall be substantially conducted in conformity with Robert's Rules of Order unless those provisions conflict with Chapter 241 of the NRS, in which case, the statutes will prevail.

0.7 Reconsideration. Reversal, or substantial modification, of any item by the Board of Trustees within six months of the meeting date at which the action was taken, shall only be considered as follows:

- The General Manager may request reconsideration of any action of the Board, and place reconsideration of the action before the Board, if the General Manager determines that the action compromises the efficiency of operations or otherwise impairs the effective management of the District.
- A Board action may also be scheduled for reconsideration if at least three Trustees make the request.
- Written requests for reconsideration by any other person or party, including members of the general public, will be distributed to the Trustees but shall not be placed on the Board agenda, without the concurrence of at least three Trustees, as provided above.

If the original action was taken after a Public Hearing, a second Public Hearing shall be held in conjunction with any reconsideration.

Once placed on the agenda under the procedure established herein, the Board may rescind, modify, reaffirm, or take no action on the item; in the same manner it would take action on any other General Business agenda item.



Conduct Meetings of the Board of Trustees Policy 3.1.0

- 0.8 Officers of the Board.** As the first item of General Business at the first meeting of the calendar year, the Board of Trustees shall elect a Chair, Vice Chair, Treasurer, and Secretary. Each will begin their term immediately after the election and to assume their role for the duration of the first meeting continuing until the next election.

According to NRS 318.085(1), the role of Treasurer and the Secretary may be fulfilled by someone other than a Trustee.

Should a vacancy occur, the Board of Trustees shall follow NRS 318.090(5) to fill the vacancy. The most current roster for the current Board of Trustees is located on the District's website.

- 0.9 Advisory Committees.** The Board of Trustees may from time to time establish citizen committees to advise it on policy matters of the District. All such committees shall serve at the pleasure of the Board, and the Board shall have the authority to remove any member or all members from any and all committees at any time, or to change any of the terms of office thereof. Unless otherwise provided for in the document creating such committee and as permitted by applicable law (i.e. the Audit Committee). Committees shall be advisory in nature only, and shall have no authority to set policy; expend or obligate funds; hire, fire, supervise, or direct staff; or speak on behalf of the District, the Board, or its officers or employees. All committees shall conduct their business according to Roberts Rules of Order and shall conform to all provisions of the Nevada Open Meeting Law. If any Trustee is appointed to serve on a committee, the Trustee shall be the chair of that committee, unless other methods for selecting the chair have been approved by the Board of Trustees. If more than one Trustee is appointed to serve on the committee, then the Board shall determine by motion which Trustee shall serve as chair.

The General Manager may establish citizen advisory committees or bodies to advise the General Manager on areas of interest. These Citizen Advisory Committees are distinctively different from Board advisory committees as they are created by the General Manager to provide input. As such, they are not subject to the Nevada Open



Conduct Meetings of the Board of Trustees Policy 3.1.0

Meeting Law, but a reasonable attempt is to be made to notify members of the public of their meetings.

- 0.10 Legislative Matters.** The General Manager may from time to time propose positions on legislative issues, which positions shall be reviewed and approved by the Board at its regular meeting.
- 0.11 Conflict Resolution.** In the event that the provisions of Policy 3.1.0 conflict with any other Policy Provisions, this policy shall prevail.

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winqest
District General Manager

FROM: Mike Gove
Director of Information Services and Technology

SUBJECT: Review, discuss, and possibly authorize a purchase order in the amount of \$87,545.08 for the purchase of 40 Verkada Security Cameras and their associated licenses; FY2021/22 CIP Project – Security Cameras (CIP#1213CE2105); Vendor: SHI; Fund: General Fund; Division: Administration – Information Services

DATE: August 18, 2021

I. RECOMMENDATION

Authorize the District General Manager to execute a purchase order with SHI, in the amount of \$87,545.08, for the one time purchase of 40 Verkada Security Cameras and their associated licenses. Funding is provided in the approved FY2021/22 budget through CIP Project # 1213CE2105 (General Fund).

II. BACKGROUND

In accordance with Board Policy 3.1.0., 0.15 Consent Calendar, this item is included on the Consent Calendar as it is routine business of the District and within the currently approved District Budget.

District Staff have been requested by the Board of Trustees and District General Manager to increase the security camera coverage across District venues. In 2018, Staff began the process of determining a camera solution that could both be expanded to cover venues not covered by cameras as well as consolidate the District's existing standalone camera systems.

District Staff considered both a fully onsite hosted camera system requiring a very large amount of digital storage and computing equipment and the emerging technology of cloud based systems. Staff determined that not only was the cloud

Review, discuss, and possibly authorize a purchase order in the amount of \$87,545.08 for the purchase of 40 Verkada Security Cameras and their associated licenses; FY2021/22 CIP Project – Security Cameras (CIP#1213CE2105); Vendor: SHI; Fund: General Fund; Division: Administration – Information Services

hosted system going to be more cost effective in the long-term, it also allows the District to stay at the cutting edge of camera technology.

Staff took the opportunity to take a 90-day pilot installation from Verkada in which Staff installed two cameras and tested them for 90 days. It was determined by Staff that the proposed Verkada camera system was easy to operate, centrally managed, and included several artificial intelligence based features improving and simplifying monitoring and retrieval of footage.

Staff purchased 13 Verkada Cameras in the previous year installing them at the Beach Host Shacks, Mountain Golf Pro Shop, and Recreation Center. These cameras have proven multiple times to be valuable in the retrieval of needed footage.

Staff has worked with Venue Managers and the District Risk Management Team to determine the highest priority locations for the initial phase of this camera installation project focusing first on the outdoor locations outlined in the below table.

Venue	Qty
PW - BCDP	7
PW – WRRF	7
PW – Admin	7
Admin	4
Beaches	3
Champ Course	2
Mountain Course	3
Parks	4
Tennis	3

III. **BID RESULTS**

This item is not subject to competitive bidding within the meaning of Nevada Revised Statutes 332.115 as described in subsection (d) - *Equipment which, by reason of the training of the personnel or of an inventory of replacement parts maintained by the local government is compatible with existing equipment.*

Review, discuss, and possibly authorize a purchase order in the amount of \$87,545.08 for the purchase of 40 Verkada Security Cameras and their associated licenses; FY2021/22 CIP Project – Security Cameras (CIP#1213CE2105); Vendor: SHI; Fund: General Fund; Division: Administration – Information Services

-3-

August 18, 2021

IV. FINANCIAL IMPACT AND BUDGET

Funding for the proposed purchase and installation of the additional security cameras is provided in the District's approved FY2021/22 budget via a General Fund appropriation in the amount of \$100,000 within CIP Project #213CE2105 (Security Cameras).

It should be noted that while this CIP project was initially determined to likely be treated as an acquisition of a capital asset, to be depreciated over the useful life of the system, after a review of the quote and plan for installation of the proposed cameras, Staff has determined that the cost of this project, if approved, will be recorded as an operating expense rather than capitalized. As such, funding included in the approved FY2021/22 budget will thus be transferred from a capital outlay account to an operating expense; no formal Board action is required.

V. ALTERNATIVES

The board could choose to not move forward with this initiative.

VI. BUSINESS IMPACT

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.

VII. COMMENT

This purchase has been reviewed and approved by District General Counsel Joshua Nelson.



Project Summary

Project Number:	1213CE2105
Title:	Security Cameras
Project Type:	G - Equipment & Software
Division:	13 - Information Services
Budget Year:	2022
Finance Options:	
Asset Type:	CE - Communications Equipment
Active:	Yes

Project Description				
Installation or replacement of District wide video monitoring systems.				
Project Internal Staff				
Director of IT Buildings Superintendent Risk Management Specialist Venue Managers				
Project Justification				
The district operates several closed-to-the-public locations that are physically separated from one another and at times remote. The district also operates several publicly accessible locations that have needs for secure video monitoring for both security and safety purposes. District staff will move through a phased approach of installing video monitoring systems based on priority of these needs. This project also allows expenditures in relation to the installation of the systems including any billable staff time.				
Forecast				
Budget Year	Total Expense	Total Revenue	Difference	
2022				
District wide rollout of Security Cameras	100,000	0	100,000	
Year Total	100,000	0	100,000	
2023				
District wide rollout of Security Cameras	100,000	0	100,000	
Year Total	100,000	0	100,000	
	200,000	0	200,000	
Year Identified	Start Date	Est. Completion Date	Manager	Project Partner
2021			Director of IT	



Pricing Proposal
 Quotation #: 20833243
 Created On: 8/4/2021
 Valid Until: 8/31/2021

City of Incline Village

Inside Account Executive

Mike Gove
 NV
 United States
 Phone: 775-832-3721
 Fax:
 Email: mag@ivgid.org

Lauren Budzinski
 290 Davidson Ave.
 Somerset, NJ, 08873
 Phone: 732-652-0813
 Fax: 732-652-3099
 Email: Lauren_Budzinski@shi.com

All Prices are in US Dollar (USD)

Product	Qty	Your Price	Total
1 CB51-E Outdoor Bullet Camera, 90 Days Verkada - Part#: CB51-90E-HW	20	\$1,627.26	\$32,545.20
2 CD51-E Outdoor Dome Camera, 90 Days Verkada - Part#: CD51-90E-HW	18	\$1,479.26	\$26,626.68
3 CB61-TE Outdoor Bullet Camera, 90 Days Verkada - Part#: CB61-90TE-HW	1	\$2,732.22	\$2,732.22
4 CF81-E Outdoor Fisheye Camera, 60 Days Verkada - Part#: CF81-60E-HW	1	\$1,990.58	\$1,990.58
5 5 Year Camera License Verkada - Part#: LIC-5Y	40	\$591.26	\$23,650.40
		Total	\$87,545.08

Additional Comments

Please note, if Emergency Connectivity Funds (ECF) will be used to pay for all or part of this quote, please let us know as we will need to ensure compliance with the funding program.

Hardware items on this quote may be updated to reflect changes due to industry wide constraints and fluctuations.

The Products offered under this proposal are resold in accordance with the [SHI Online Customer Resale Terms and Conditions](#), unless a separate resale agreement exists between SHI and the Customer.

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winqest
District General Manager

FROM: Paul Raymore
District Marketing Manager

SUBJECT: Review, discuss and possibly approve an agreement for media buying services for 2021/22; Venues: Diamond Peak, Championship Golf Course, Mountain Golf Course, Facilities; Vendor: EXL Media; Agreement Amount: Up to \$201,500 in paid media spending, \$10,000 in trade media spending, and up to \$53,500 in agency fees – a grand total of up to \$265,000.

DATE: September 2, 2021

I. RECOMMENDATION

That the Board of Trustees make a motion to authorize Staff to enter into an agreement with EXL Media for 2020/21 Fiscal Year media buying services for Diamond Peak Ski Resort, the Championship and Mountain Golf Courses, and the Facilities Department, for a not-to-exceed total amount of \$265,000.

II. BACKGROUND

As a component of the District's Diamond Peak, Golf Courses, and Facilities annual communications and marketing plans, the District contracts with a media buying agency to help plan, place and negotiate rates for advertising placements. This includes, but is not limited to, print ads, digital ads, digital billboards, mobile ads, television ads and paid search campaigns. This is an essential service for the District's Marketing Staff as the research, documentation, reporting, and support received from the third party provider significantly exceeds in-house capabilities.

Since the 2013/14 Fiscal Year, the IVGID Marketing Team has utilized Incline Village-based media buying agency EXL Media for the District's media buying services. This stretch follows the one-year period (Fiscal Year 2012/13) in which the District utilized another agency for media buying, ultimately returning to EXL Media after being unsatisfied with the other agency's services and results.

Review, discuss and possibly approve an -2-
agreement for media buying services for 2021/22;
Venues: Diamond Peak, Championship Golf Course,
Mountain Golf Course, Facilities; Vendor: EXL Media;
Agreement Amount: Up to \$201,500 in paid media spending,
\$10,000 in trade media spending, and \$53,500 in
agency fees – a grand total of up to \$265,000.

Sept. 2, 2021

At the May 23, 2018 Board meeting, the Board of Trustees authorized awarding the District's 2018/19 media buying services agreement to EXL Media with a cost of \$419,500.

At the May 22, 2019 Board meeting, the Board of Trustees authorized awarding the District's 2019/20 media buying services agreement to EXL Media with a cost of \$424,600.

At the September 30, 2020 Board meeting, the Board of Trustees authorized awarding the District's 2020/21 media buying services agreement to EXL Media with a cost of \$100,000. This agreement was drastically cut back from normal spending levels due to the COVID-19 pandemic.

III. BID RESULTS

The District's media buying services agreement went to bid before the 2019/20 Fiscal Year with local agency EXL Media selected to continue providing media buying services to the District. A full recap of the bid results are included in the May 22, 2019 Board Memo authorizing the District to enter into an agreement with EXL Media during the 2019/20 Fiscal Year. (See pages 263 – 295 of the May 22, 2019 Board packet.) The 2021/22 Fiscal Year would be year three (3) of an agreement with EXL Media since going to bid for this service.

EXL Media is an Incline Village, Nevada based firm and has over 23 years of experience successfully handling media buys for the District. EXL Media has vast knowledge of the competitive landscape of the Lake Tahoe recreation market. Through the bidding process, they were determined to be the best qualified and capable media agency to support the District in meeting its budget objectives and will provide the level of attention, detail, and reporting that is required to ensure successful media campaigns.

IV. FINANCIAL IMPACT AND BUDGET

The budget for the proposed media buying services agreement is included in the Board-approved Fiscal Year 2021/22 Diamond Peak, Golf Courses, and Facilities marketing budgets. A total of \$203,500 (cash) and \$10,000 (trade) is included in the approved 2021/22 District Operating Budgets for media buying and media buying services. The approved budgeted amounts and not-to-exceed amounts listed in the EXL Media agreement are below.

Review, discuss and possibly approve an -3- agreement for media buying services for 2021/22; Venues: Diamond Peak, Championship Golf Course, Mountain Golf Course, Facilities; Vendor: EXL Media; Agreement Amount: Up to \$201,500 in paid media spending, \$10,000 in trade media spending, and \$53,500 in agency fees – a grand total of up to \$265,000.

Sept. 2, 2021

Note: The Recreation Center and Tennis & Pickleball Center have media buying contingency funding included in their budgets that would be managed in-house, if at all, rather than by EXL Media.

Paid advertising budget by venue	Budgeted amount	Not to exceed amount in EXL agreement
DIAMOND PEAK	\$150,000	\$150,000
CHAMP GOLF	\$16,000	\$16,000
MT GOLF	\$11,500	\$11,500
FACILITIES	\$24,000	\$24,000
REC CENTER	\$1,000	\$0
TENNIS & PICKLEBALL	\$1,000	\$0
DIAMOND PEAK – TRADE	\$10,000	\$10,000
GOLF - TRADE	\$0	\$0
TOTAL	Up to \$203,500 (cash) Up to \$10,000 (trade)	Up to \$201,500 (cash) Up to \$10,000 (trade)

Agency fees by venue	Budgeted amount	Not to exceed amount
DIAMOND PEAK	\$40,000	\$40,000
CHAMP GOLF	\$5,000	\$5,000
MT GOLF	\$2,500	\$2,500
FACILITIES	\$6,000	\$6,000
REC CENTER	\$0	\$0
TENNIS & PICKLEBALL	\$0	\$0
TOTAL	Up to \$53,500 (cash)	Up to \$53,500 (cash)

Staff to manage spending levels in accordance with District goals:

The proposed agreement for media buying services with EXL Media serves as a not-to-exceed template for Diamond Peak’s advertising plans, but does not commit the District to any particular advertising spending amount. Staff will work with EXL Media to adjust advertising campaigns appropriately to align with District goals.

The agreement with EXL Media will be structured to pay Agency Fees based on actual hours billed (at \$125 per hour), with not-to-exceed limits in place. Given this structure, should the District choose to cut back on or eliminate some paid

Review, discuss and possibly approve an -4- agreement for media buying services for 2021/22; Venues: Diamond Peak, Championship Golf Course, Mountain Golf Course, Facilities; Vendor: EXL Media; Agreement Amount: Up to \$201,500 in paid media spending, \$10,000 in trade media spending, and \$53,500 in agency fees – a grand total of up to \$265,000.

Sept. 2, 2021

advertising services this year, **there is the potential to pay less than the not-to-exceed amount of \$53,500** listed above.

History of District’s approved media buying budgets:

Description	2018/19 Budget	2019/20 Budget	2020/21 Budget*	2021/22 Proposed
Cash Media	\$266,500	\$272,500	\$75,000	\$201,500
Trade Media	\$88,000	\$87,100	\$0	\$10,000
Agency Fees	\$65,000	\$65,000	\$25,000	\$53,500
Total	\$419,500	\$424,600	\$100,000	\$265,000

* 2020/21 fiscal year budget was cut back drastically due to COVID-19 impacts.

History of District’s EXL Media media buying actuals:

Description	2018/19 Actuals	2019/20 Actuals	2020/21 Actuals*	
Cash Media	\$265,010	\$233,049	\$68,769	
Trade Media	\$42,906	\$57,495	\$0	
Agency Fees	\$65,000	\$64,000	\$20,969	
Total	\$372,916	\$354,544	\$89,738	

* 2020/21 fiscal year budget was cut back drastically due to COVID-19 impacts. 2019/20 fiscal year actuals were also cut back beginning in March 2020.

V. ALTERNATIVES

Authorize Staff to enter into a media buying agreement during the Fiscal Year 2021/22 at different amounts than those recommended above.

Direct Staff not to enter into a media buying agreement during the Fiscal Year 2021/22, understanding that doing so will leave the District’s communications and marketing plan for the 2021-22 fiscal year vulnerable as the Media Buying Agreement is a key component to the overall annual marketing and communications plan.

Attachments:

A – Proposed Agreement with EXL Media

**AGREEMENT FOR SERVICES
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT AND EXL MEDIA
CORPORATION**

THIS AGREEMENT (“Agreement”) is entered into between Incline Village General Improvement District, a political subdivision of the State of Nevada (hereinafter referred to as “District”), on the one hand; and EXL Media Corporation, a corporation (hereinafter referred to as “EXL”), on the other hand and is effective on July 1, 2021.

WITNESSETH

- a) District is the owner and operator under Special Use Permit of Diamond Peak Ski Resort, the Championship and Mountain Golf Courses, The Chateau and Aspen Grove, the Recreation Center, and the Tennis & Pickleball Center in Incline Village, Nevada.
- b) EXL is a media buying and placement agency, located in Incline Village, Nevada, with experience in media services.
- c) District desires to retain the services of EXL to provide media services.

NOW THEREFORE, for valuable consideration, it is agreed as follows:

SECTION 1 - Agreement.

- (a) District hereby hires EXL to provide media services described herein (the “Media Services”), and EXL agrees to provide the Media Services to District. EXL will provide the Media Services to District within the timeline set between the IVGID Marketing Department and EXL.
- (b) District shall pay EXL a separate amount for each Media Service. The breakdown and total amount for the fiscal year of July 1, 2021 – June 30, 2022 is as follows:

Total contract not-to-exceed: \$265,000

- Cash Media not-to-exceed: \$201,500
 - Diamond Peak: \$150,000
 - Golf Courses: \$27,500
 - Facilities: \$24,000
 - Recreation Center: \$0
 - Tennis Center: \$0
- Trade Media: \$10,000
 - Diamond Peak: \$10,000
 - Golf: \$0

**AGREEMENT FOR SERVICES
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT AND EXL MEDIA
CORPORATION**

- Agency Fees: billed at \$125 per hour, not to exceed \$53,500

As set forth in Section 2(a), cash media involves the placement of advertisements through third party media channels by EXL on behalf of District. Agency fees are fees charged by EXL to District for such services or other related services such as advertising performance analytics & tracking.

When trade is issued to a third party, IVGID services and products will be taken at full rack rate. EXL doesn't have any autonomy in discounting IVGID's services and products. Trade is to be used when possible in exchange for cash to help contribute to the overall value of the media buy.

In case additional needs arise, District may pay EXL an additional fee as agreed by both parties in a written change order to this Agreement and prior to executing the additional project.

- (c) The individual obligations of District and EXL in performing this Agreement are set forth below.

SECTION 2 - EXL's Obligations.

- (a) EXL will provide District with a selection of Media Services for use by District recreational facilities for the July 1, 2021 - June 30, 2022 fiscal year. The Media Services may include, but are not limited to, the following:
 - 1) Radio
 - 2) Outdoor
 - 3) Television/Cable
 - 4) Digital/Internet/Mobile
 - 5) Print
 - 6) Promotions
 - 7) Specialty Media
 - 8) Outdoor Production Coordination
 - 9) Advertising Performance Analytics & Tracking
- (b) EXL shall consult with District to provide District the opportunity for input on the selected Media Services. District's General Manager or designee shall

**AGREEMENT FOR SERVICES
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT AND EXL MEDIA
CORPORATION**

approve all Media Services, including media buying budgets and plans before any placements are made on District's behalf. Media buying budgets and plans shall be evaluated and potentially adjusted at least quarterly, with the General Manager's or designee's written approval.

- (c) EXL shall not exceed the total amount budgeted for Media Services described above and will not incur any costs above and beyond set budget unless additional costs are authorized as set forth in Section 1(b).
- (d) EXL shall not include any non-cancellable third party contracts or media placements in any Media Services.
- (e) EXL shall provide copies of original invoices from third party vendors attached to EXL invoices. EXL shall invoice District monthly for all Media Services. Such invoices shall clearly document the amount of incurred Media Services, including third party media and agency fees. Agency fees shall be billed on an hourly basis paid in 6-minute increments. Invoices shall include the amount of agency fees and an explanation of the tasks included in each billing entry.
- (f) EXL shall pay all invoices from third party vendors on behalf of District within thirty (30) days of receipt of payment from District for the same invoices. EXL agrees that any and all third party vendors shall look to EXL for payment upon proof of payment by District to EXL for invoices in question.
- (g) EXL shall coordinate with and provide any other third party creative agencies selected by District with all applicable deadlines and make sure media deadlines are met as necessary for the Media Services.
- (h) Non-Disclosure Obligations. EXL acknowledges and agrees that during its performance under this Agreement, it may learn of, be exposed to or come into possession of certain "Confidential Information." Confidential Information is defined as information developed or owned by District or entrusted to District by others. Confidential Information includes, but is not limited to, financial information, business strategy, marketing calendars, inventory levels and best sellers, partnerships, and customer contact information. EXL agrees that it will not, directly or indirectly, (i) use such Confidential Information except as required in the normal and proper course of performing the Media Services defined in this Agreement or other obligations as contemplated hereunder; (ii) disclose such Confidential Information to any other person, corporation or entity; or (iii) allow a third

**AGREEMENT FOR SERVICES
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT AND EXL MEDIA
CORPORATION**

party access to such Confidential Information (except as otherwise may be required by law) without, in each case, obtaining the prior written approval of District. EXL agrees to protect all information including, but not limited to documents, electronic records, tapes and other media in which the Confidential Information is contained (the "Confidential Documents"). EXL further acknowledges and agrees that the Confidential Documents are, and shall remain, the sole and exclusive property of District. EXL shall not copy any Confidential Documents or remove any Confidential Documents, or copies thereof, from District premises, except as required by the normal and proper course of performing the services or other obligations hereunder. EXL agrees to return to District promptly upon request any and all property of District, including but not limited to the Confidential Documents and copies thereof, in EXL's possession or control.

SECTION 3 - District's Obligations.

- (a) District will provide EXL with customer research and will assist with information and strategy to complete media services.
- (b) District reserves the right to modify, reject, cancel or stop any and all Media Services in progress, and in such event, EXL shall immediately carry out District's instructions. In turn, District agrees to pay EXL, in accordance with the provisions of this Agreement, any and all proper charges earned and incurred by EXL in connection with such work up to the time of its discontinuance, cancellation or modification.
- (c) District shall pay EXL for the Media Services as set forth in Section 1 above and shall pay non-disputed invoices within thirty (30) days of receipt.

SECTION 4 - Relationship and Responsibility.

- (a) This Agreement is for the provision of services, and is limited to the services described herein. District and EXL agree that EXL is an independent contractor providing services to District, and neither EXL nor any employee or agent hired by EXL is or shall be considered an employee or agent of District.
- (b) EXL shall be responsible for all required licenses and permits for the services as specified. EXL shall be solely responsible for all agents and

**AGREEMENT FOR SERVICES
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT AND EXL MEDIA
CORPORATION**

employees used by EXL and for all matters relating thereto, including payment for services.

- (c) EXL shall defend, indemnify and hold District harmless from any and all matters relating to or arising from the performance of the Media Services described herein, and from any claims against District by any agents or employees of EXL, except those claims which are determined to be the direct result of separate and independent negligence by District or its employees.
- (d) This Agreement is cancelable upon sixty (60) days' notice by either party. In such event, District shall only pay EXL for Media Services, including any third party vendor contracts, actually performed and completed. This Agreement is for a time period of one (1) year and may be renewed upon written agreement of EXL and District.
- (e) Subject to the limits set forth in Nevada law, expressly including, but not limited to, NRS Ch. 41, District agrees to indemnify, defend and hold EXL harmless against any loss and expense, including reasonable attorney's fees and court costs incurred as the result of any claim, suit or proceeding made or brought based upon any trademark, copyright or other infringements of intellectual property rights claim due to the content of any advertising material prepared or placed for District by EXL, provided that District approved such content. District will have the right to defend or settle any such claim, suit, or proceeding at its own expense. .
- (f) EXL agrees to indemnify, defend and hold the District, its officers, directors, employees and representatives harmless, against any loss, damage, claim or expense in connection with or arising out of the breach or negligence or fault of EXL pursuant to the performance of the Media Services or as a result of EXL's representations to third parties contrary to the scope of EXL's responsibilities hereunder.

SECTION 5. Miscellaneous.

- (a) This Agreement is entered into and shall be performed in Washoe County, Nevada, and venue for any action arising from this Agreement shall be limited to Washoe County, Nevada.
- (b) This Agreement and the rights and obligations of the parties hereunder may not be assigned by either party without the express prior written consent of

**AGREEMENT FOR SERVICES
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT AND EXL MEDIA
CORPORATION**

the other party. All amendments to this Agreement must be approved in a writing executed by both parties.

- (c) No provision of this Agreement shall be deemed a waiver of District's sovereign immunity beyond that presently provided by Nevada law.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth opposite each signature below.

EXL MEDIA CORPORATION

By: _____ Date _____
Name: Wendy Hummer
Title: President

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT

By: _____ Date _____
Name: Indra Winqest
Title: General Manager

Reviewed as to form:

By: _____ Date _____
Name:
Title: District General Counsel

MEMORANDUM

TO: Board of Trustees

FROM: Indra Winqest
District General Manager

SUBJECT: Review, discuss, and possibly provide direction on next steps to further discuss and/or recommended revisions to Policy 16.1.1, Recreation Roll Policy

DATE: September 2, 2021

I. RECOMMENDATIONS

Review, discuss, and possibly provide direction on next steps to further discuss and/or make recommended revisions to Policy 16.1.1., Recreation Roll Policy.

II. BACKGROUND

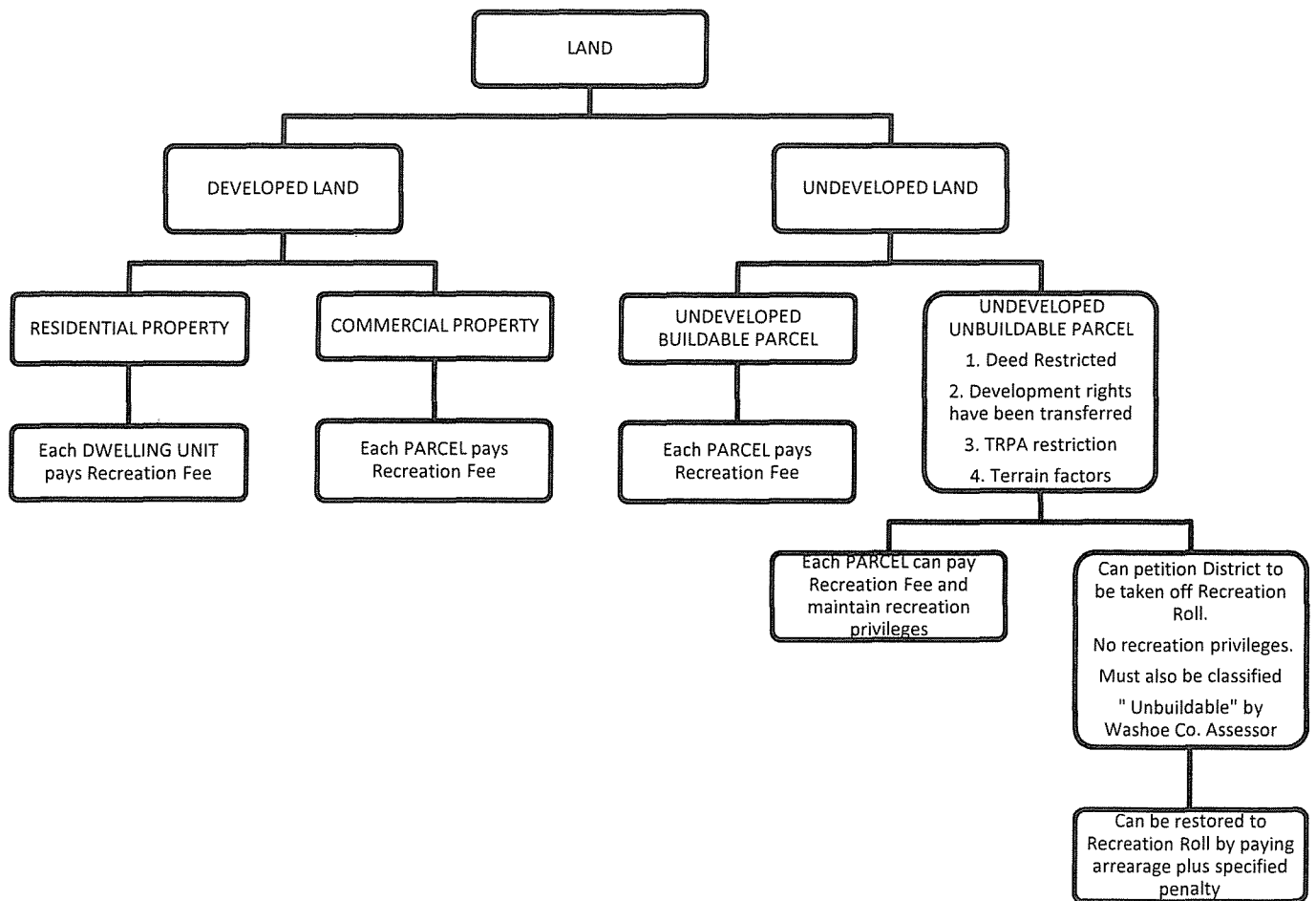
Policy 16.1.1, the District's Recreation Roll Policy was formally adopted by the Board of Trustees in June of 2009. Below is the timeline related to the eventual adoption:

- May 1968 – Recreation Roll established in conjunction with IVGID Beach Purchase.
- February 1982 – Commercial Parcels added to the Recreation Roll, Hotel units no longer assessed.
- November 2008 – Board of Trustees retreat initiated discussion about reinstatement of parcels and need for policy.
- April 2009 – Board receives proposal for policy and after discussion, directs, edits, and suggests revisions before adoption.
- June 2009 – Board of Trustees adopts Policy 16.1.1.
- October 2009 – Board of Trustees revise Policy 16.1.1 to expand section 2.0 definition item 6 adding paragraph A.

Main elements of Policy 16.1.1:

- Establish eligibility to pay the Recreation Facility Fee and where applicable, the Beach Facility Fee.
- Recreation and Beach Facility Fee charged to dwelling units, commercial parcels, and undeveloped lots.

- Relevant Definitions, including Washoe County Assessor parcel number, and dwelling unit as described in Washoe County Code.
- Validates June 1, 1968 for determination of beach privileges.
- Addresses real property exemptions.
- Addresses reinstatement of privileges.
- Setting and Collection of the fees with reference to NRS 318.201
- Established Flow Chart (shown below) to define and apply the policy



III. ADDITIONAL INFORMATION

Currently, the General Manager’s Committee on Ordinance 7 (Committee) is identifying areas for potential recommendations for revisions to the Board of Trustees. One of the recommendations from the Committee is for the District to evaluate its current policy that contains governance of unbuildable lots within the boundaries of Incline Village and Crystal Bay. Furthermore, to consider possible modifications to Policy 16.1.1 as it relates to issuance of recreation privileges and the ability to petition on or off the Recreation Roll. It should also be noted that in April of 2018, the Board of Trustees took action to defer any sales of unbuildable parcels until such time that a proper policy and process is in place. Additionally, over the past few years, there has been questions related to how IVGID assesses the Recreation Facility Fee including the utilization of Washoe County’s definition of a dwelling unit, IVGID’s ability to determine and exempt real property based on Washoe County’s definition, and how to identify potential additional dwelling units (ADU’s) that are not identified by Washoe County.

Based on the factors above and that Policy 16.1.1 has not been reviewed since 2018, it’s important to bring this discussion to the Board of Trustees for review, consideration, and affirmation.

Parcel Statistics from the 2021/22 Recreation Roll

The following table summarizes data tracked by IVGID via the CAPSTONE database for purposes of administering the District’s recreation priveleges.

Prior to creating the Recreation Roll that is transmitted to Washoe County for puposes of assessing the District’s annual recreation and beach facility fees (levied via the Washoe County property tax bill), Staff compares the CAPSTONE data with the Washoe County parcel database and updates the CAPSTONE data for any parcel changes made by Washoe County that impact recreation priveleges and the related facility fees.

It should be noted that the District’s parcel database does NOT reflect all parcels included in the Washoe County parcel database but seeks to maintain up-to-date parcel data for all parcels that are assigned recreation priveleges through the administration of Ordinance 7.

In addition, the District’s CAPSTONE database also maintains parcel data for several parcels that are no longer active parcels in the Washoe County database.

Unbuildable Lots

Ordinance 7 specifically addresses the treatment of Unbuildable Lots for purposes of assigning and administering IVGID recreation and beach privileges. By definition, unbuildable lots do not have any structures on the property, however, privately-owned unbuildable lots are subject to assessment of recreation and beach facility fees, unless the property-owner has filed documentation seeking exemption from the assessment (and foregoing associated recreation privileges).

Washoe County tracks “unbuildable lots” via to land use codes. Based on the information maintained by Washoe County, there are currently a total of 162 unbuildable lots within the District. Of these, a total of 40 are privately-owned, while 122 are publicly-owned.

Of the 40 privately-owned unbuildable lots within the District, 25 of these are currently assessed both a recreation and beach facility fee, and 2 additional parcels are assessed a recreation facility fee only.

Unbuildable Lots:	Public	Private	Total
Land Use Code 160 - Splinter, unbuildable; small sizes or shape	17	2	19
Land Use Code 170 - Other, unbuildable: roads, restrictions, terrain	105	38	143
	122	40	162
IVGID Facility Fees Charged			
		27	27
		25	25

Note: The District holds title to 104 of the 122 publicly-owned Unbuildable Lots.

IV. FINANCIAL IMPACT AND BUDGET

None at this time.

V. ALTERNATIVES

Provide Staff direction to not bring back Policy 16.1.1, Recreation Roll Policy for further discussion or possible revisions.

VI. ATTACHMENTS

- ✓ Current Policy 16.1.1, October 28, 2009
- ✓ Memorandum dated August 15, 2018; Subject: Educational Session and Discussion on Board Policy 16.1.1 – Recreation Roll Policy
- ✓ Meeting Minutes from August 27, 2018
- ✓ Memorandum dated October 15, 2009; Subject: Amend Recreation Roll Policy 16.1
- ✓ Meeting Minutes from October 28, 2009
- ✓ Recreation Pass Policy and Recreation Charge – History Document
- ✓ Meeting Minutes from June 10, 2009 with original Policy 16.1.1
- ✓ Meeting Minutes from April 11, 2018 – Deferring sales of unbuildable parcels
- ✓ Response from Nevada Attorney General, 1975



Recreation Roll Policy

Policy 16.1.1

The Incline Village General Improvement District is committed to providing superior community oriented recreation programs and facilities to the community. To support that commitment, the Board of Trustees has adopted the following policy relating to the establishment and eligibility to pay the Recreation Fee and, where applicable, the Beach Fee

POLICY: The Incline Village General Improvement District will charge the prescribed Recreation Fee and the Beach Fee to all qualifying real properties within the boundaries of the District.

1.0 The Incline Village General Improvement District will charge the prescribed Recreation Fee, and if applicable the Beach Fee, to all qualifying real properties in one of the following categories:

1. All dwelling units on developed residential parcels;
2. All commercial parcels; and
3. All undeveloped residential parcels which are not designated as unbuildable.

2.0 Definitions

1. Recreation Fee is the annual Recreation Standby and Service Charge assessed by the District on all real property within the District that is in one of the categories listed in Section 1.0 of this document.
2. Beach Fee is the annual Recreation Standby and Service Charge assessed by the District on all identified real property that was within the District on June 1, 1968, and is in one of the categories listed in Section 1.0 of this document.
3. Recreation Roll is a listing created by the Incline Village General Improvement District of real property, using the Washoe County Assessor parcel number, that is in one of the categories listed in 1.0 of this document who pay the annual Recreation Fee, and where applicable the Beach Fee.
4. Dwelling Unit as described in the Washoe County Code as "any building or portion thereof, which contains living facilities with provisions for sleeping, eating, cooking, and sanitation."
5. Qualified Real Property is property subject to payment of a Recreation Fee.
6. Exempt Real Property is real property that is located within the current geographic boundaries of the District but which Washoe County has exempted from paying Washoe County property tax. "Exempt Real Property" includes but is not limited to, real property that is used or intended for use for religious or educational purposes, condominium and town house common areas that do not include any Dwelling Units, and publicly owned property.



Recreation Roll Policy

Policy 16.1.1

A. The owner of a Dwelling Unit that is both located on an Exempt Real Parcel and is occupied as a residence in support of the allowed use by the Exempt Real Parcel may apply to the District to place that Dwelling Unit on the Recreation Roll. Upon (a) acceptance by the District of such application and (b) receipt of payment of the prescribed annual Recreation Fee, and if applicable, the Beach Fee, the Dwelling Unit shall be considered to be Qualified Real Property; but only for so long as the ownership and use of such does not change materially.

7. Unbuildable Parcel is a parcel so classified by Washoe County and is listed in Category 16 or 17 by the Washoe County Assessor, and has been removed from the Recreation Roll by the District following the owner's petition.

3.0 Qualifying Real Properties Subject to Fee Assessments

1. Real property in one of the categories listed in Section 1.0 that was within the boundaries of the District when it acquired the beach properties on June 1, 1968. These properties are charged the annual Recreation Fee and charged the annual Beach Fee.
2. Where real property parcels have been split for development purposes, the resulting smaller parcels are considered to have the same qualifications as the original parcel.

4.0 Real Property Exempt from Paying Fee Assessments

1. When development takes place that results in new parcels or additional dwelling units, each new parcel or dwelling unit becomes a Qualified Real Property and is placed on the Recreation Roll.
2. Information contained on the Washoe County Assessor's "Real Property Assessment Data" sheets will be used to determine eligibility for a property to be classified as a Qualified Real Property.
3. Qualified Real Property that is added to the Recreation Roll as a result of conditions listed in paragraph 1 or 2 above, or by annexation or merger of territory to the District may be required to pay to the District an entry fee as established by the District based on the portion of the Recreation Fee and Beach Fee that was used for capital purposes.



Recreation Roll Policy

Policy 16.1.1

5.0 Reinstatement to the Recreation Roll

1. An unbuildable parcel that has been removed from the Recreation Roll by petition can be restored to the Recreation Roll, and thereby have recreation privileges restored by first paying the total amount of recreation and, if applicable Beach Fees that had been have levied since the parcel was taken off the Recreation Roll, plus any fees or penalties permitted by the State of Nevada as defined in Nevada Revised Statute (NRS) 99.040(1).
2. An exempt parcel not on the Recreation Roll may obtain a qualified status if the general plan and zoning designation of the property is changed by Washoe County, according to the provision of NRS and Washoe County Code.

6.0 Setting and Collection of the Recreation Fee and the Beach Fee

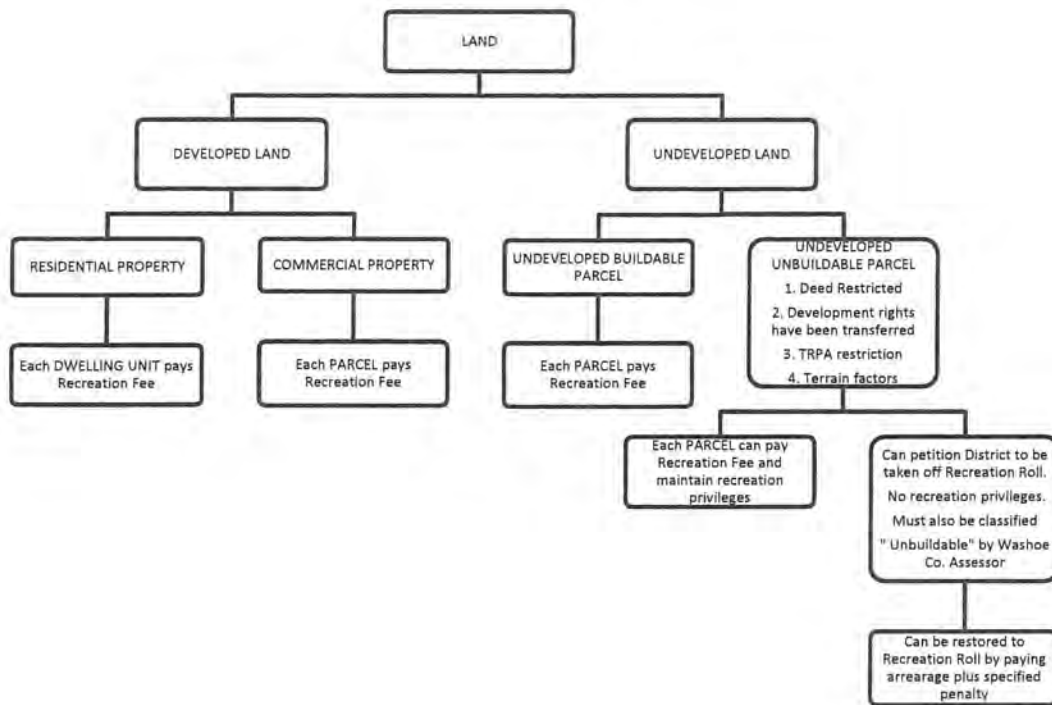
1. The Board of Trustees will set the amount of the Recreation Fee and the Beach Fee annually as part of the budget preparation process.
2. The Board of Trustees will set the method and manner of collection of the Recreation Fee and the Beach Fee annually by resolution.
 - A. The Board of Trustees may choose to follow the procedure set forth in NRS 318.201 and have the Recreation and Beach Fees collected annually by the Washoe County Treasurer along with other taxes collected by the County.
3. When the applicable Recreation Fee has been paid, such payment entitles the owner to certain uses and rates at certain District-owned recreation facilities, excluding the Beaches and Boat Launch. This is defined more fully in District Ordinance #7.
4. When the applicable Beach Fee has been paid, such payment entitles the owner to certain uses and rates at the District-owned Beaches and Boat Launch. This is defined more fully in District Ordinance #7.

7.0 Flow Chart of Policy 16.1.1



Recreation Roll Policy

Policy 16.1.1



MEMORANDUM

TO: Board of Trustees

FROM: Steven J. Pinkerton
General Manager

Gerald W. Eick, CPA CGMA
Director of Finance

SUBJECT: Educational Session and Discussion on Board Policy 16.1.1 –
Recreation Roll Policy

DATE: August 15, 2018

This General Business item is included on this agenda as requested at the June 13, 2018 Board meeting.

Excerpt from the June 13, 2018 minutes

- M. **REVIEW WITH BOARD OF TRUSTEES, BY THE DISTRICT GENERAL MANAGER, THE LONG RANGE CALENDAR (for possible action)**

District General Manager Pinkerton went over the Long Range Calendar and added an education item for Policy 16.1.1 to the August meeting at the end of the month and reminded everyone that the date is Monday, August 27.

This is educational and for discussion only. It does not require any type of Board action at this time.

Recreation Roll Policy

16.1.1

Board of Trustees Meeting

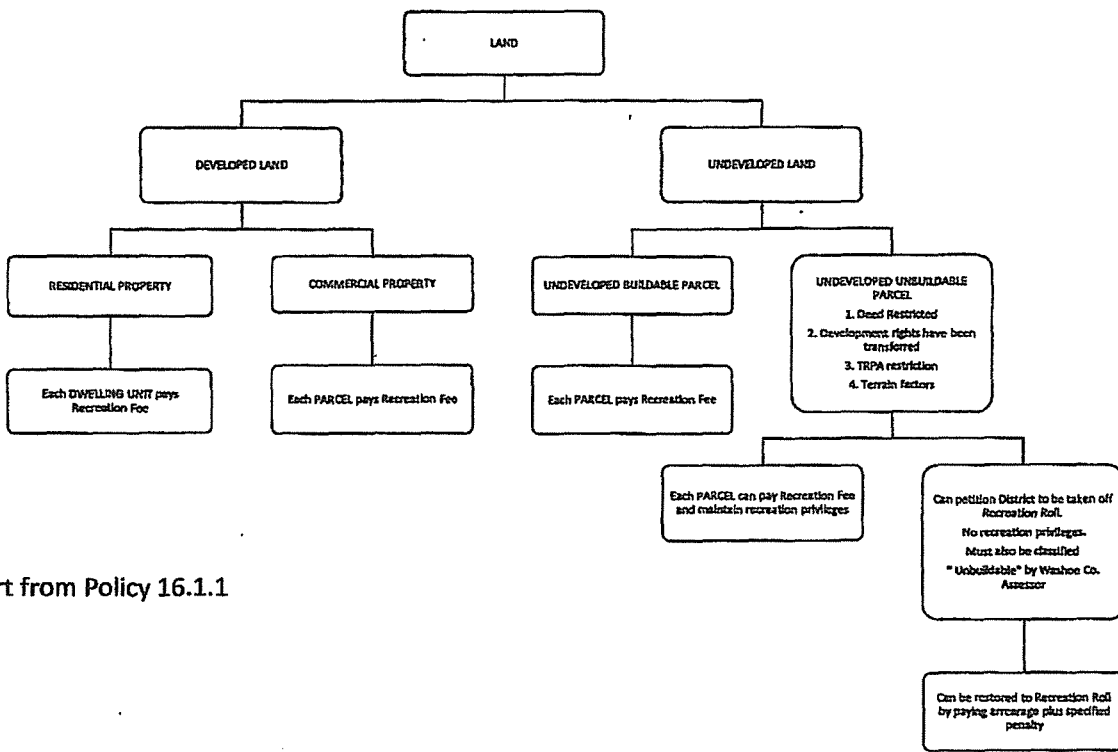
August 27, 2018

Timeline for Policy 16.1.1

- May 1968 – Recreation Roll established in conjunction with IVGID Beach Purchase
- February 1982 – Commercial Parcels added to Recreation Roll, Hotel Units no longer assessed.
- November 2008 - Board of Trustees Retreat initiated discussion about reinstatement of parcels and possible need for policy
- April 2009 – Board receives proposed policy and after discussion, directs edits and suggested improvements before adoption
- June 2009 – Board of Trustees adopts Policy 16.1.1
- October 2009 – Board of Trustees revises Policy 16.1.1 to expand section 2.0 Definition Item 6 adding paragraph A

Main Elements of Policy 16.1.1

- Establishes eligibility to pay the Recreation Fee and where applicable, the Beach Fee
- Recreation and Beach charged to dwelling units, commercial parcels and undeveloped lots
- Relevant Definitions, including Washoe County Assessor parcel number, and dwelling unit as described in the Washoe County Code
- Validates June 1, 1968 for determination of beach privileges
- Addresses real property exemptions
- Addresses reinstatement of privileges
- Setting and Collection of the Fees, with reference to NRS 318.201
- Established Flow Chart to apply the Policy



Flowchart from Policy 16.1.1

Issues to consider within the IVGID Code

- Does District still need a standalone Policy or can it be combined with administrative section for a revised Ordinance 7
- Aligning references and definitions to current codes and methodologies for the Washoe County Assessor
- If retained, are fundamental elements sufficient in the current version

Next Steps for Policy 16.1.1

- Staff analysis of Washoe County Assessor codes and methodologies to align process and definitions to current data
- Consider future consequences to Annual Report on the Recreation Roll given the 2022 maturity of the last Bond dating back to facility acquisition
- Staff and Legal Counsel planned approach is to blend elements of the current Policy 16.1.1 in the administrative code sections relative to the successor to Ordinance 7
- A specific timeline is not yet set for this section of the Code



Recreation Roll Policy

Policy 16.1.1

The Incline Village General Improvement District is committed to providing superior community oriented recreation programs and facilities to the community. To support that commitment, the Board of Trustees has adopted the following policy relating to the establishment and eligibility to pay the Recreation Fee and, where applicable, the Beach Fee

POLICY: The Incline Village General Improvement District will charge the prescribed Recreation Fee and the Beach Fee to all qualifying real properties within the boundaries of the District.

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1. All dwelling units on developed residential parcels;
2. All commercial parcels; and
3. All undeveloped residential parcels which are not designated as unbuildable.

2.0 Definitions

1. Recreation Fee is the annual Recreation Standby and Service Charge assessed by the District on all real property within the District that is in one of the categories listed in Section 1.0 of this document.
2. Beach Fee is the annual Recreation Standby and Service Charge assessed by the District on all identified real property that was within the District on June 1, 1968, and is in one of the categories listed in Section 1.0 of this document.
3. Recreation Roll is a listing created by the Incline Village General Improvement District of real property, using the Washoe County Assessor parcel number, that is in one of the categories listed in 1.0 of this document who pay the annual Recreation Fee, and where applicable the Beach Fee.
4. Dwelling Unit as described in the Washoe County Code as "any building or portion thereof, which contains living facilities with provisions for sleeping, eating, cooking, and sanitation."
5. Qualified Real Property is property subject to payment of a Recreation Fee.
6. Exempt Real Property is real property that is located within the current geographic boundaries of the District but which Washoe County has exempted from paying Washoe County property tax. "Exempt Real Property" includes but is not limited to, real property that is used or intended for use for religious or educational purposes, condominium and town house common areas that do not include any Dwelling Units, and publicly owned property.



Recreation Roll Policy

Policy 16.1.1

A. The owner of a Dwelling Unit that is both located on an Exempt Real Parcel and is occupied as a residence in support of the allowed use by the Exempt Real Parcel may apply to the District to place that Dwelling Unit on the Recreation Roll. Upon (a) acceptance by the District of such application and (b) receipt of payment of the prescribed annual Recreation Fee, and if applicable, the Beach Fee, the Dwelling Unit shall be considered to be Qualified Real Property; but only for so long as the ownership and use of such does not change materially.

7. Unbuildable Parcel is a parcel so classified by Washoe County and is listed in Category 16 or 17 by the Washoe County Assessor, and has been removed from the Recreation Roll by the District following the owner's petition.

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1. Real property in one of the categories listed in Section 1.0 that was within the boundaries of the District when it acquired the beach properties on June 1, 1968. These properties are charged the annual Recreation Fee and charged the annual Beach Fee.
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2. Information contained on the Washoe County Assessor's "Real Property Assessment Data" sheets will be used to determine eligibility for a property to be classified as a Qualified Real Property.
3. Qualified Real Property that is added to the Recreation Roll as a result of conditions listed in paragraph 1 or 2 above, or by annexation or merger of territory to the District may be required to pay to the District an entry fee as established by the District based on the portion of the Recreation Fee and Beach Fee that was used for capital purposes.



Recreation Roll Policy

Policy 16.1.1

5.0 Reinstatement to the Recreation Roll

1. An unbuildable parcel that has been removed from the Recreation Roll by petition can be restored to the Recreation Roll, and thereby have recreation privileges restored by first paying the total amount of recreation and, if applicable Beach Fees that had been have levied since the parcel was taken off the Recreation Roll, plus any fees or penalties permitted by the State of Nevada as defined in Nevada Revised Statute (NRS) 99.040(1).
2. An exempt parcel not on the Recreation Roll may obtain a qualified status if the general plan and zoning designation of the property is changed by Washoe County, according to the provision of NRS and Washoe County Code.

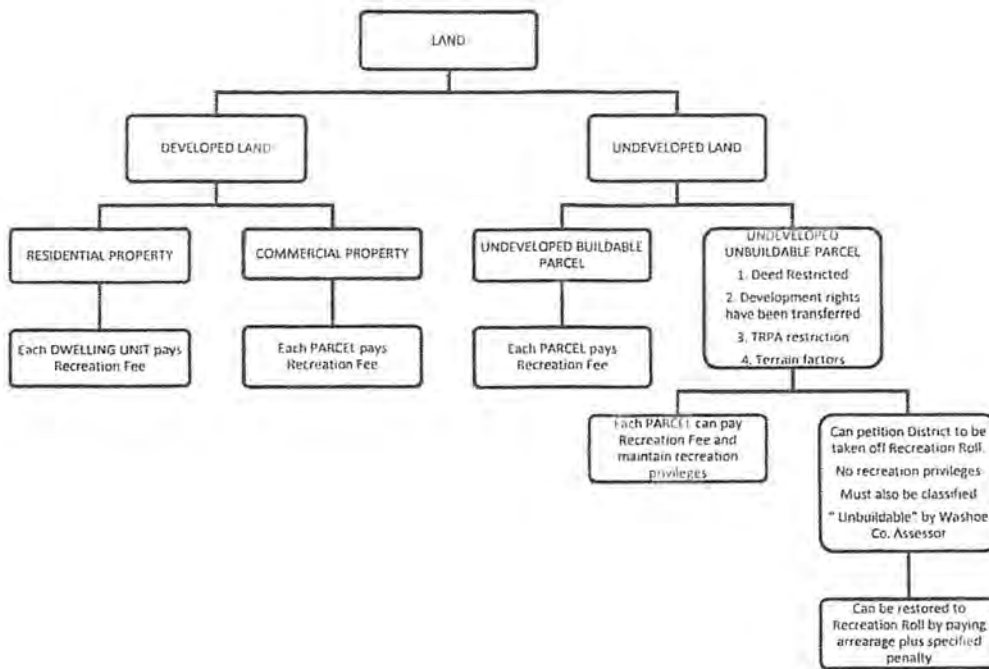
6.0 Setting and Collection of the Recreation Fee and the Beach Fee

1. The Board of Trustees will set the amount of the Recreation Fee and the Beach Fee annually as part of the budget preparation process.
2. The Board of Trustees will set the method and manner of collection of the Recreation Fee and the Beach Fee annually by resolution.
 - A. The Board of Trustees may choose to follow the procedure set forth in NRS 318.201 and have the Recreation and Beach Fees collected annually by the Washoe County Treasurer along with other taxes collected by the County.
3. When the applicable Recreation Fee has been paid, such payment entitles the owner to certain uses and rates at certain District-owned recreation facilities, excluding the Beaches and Boat Launch. This is defined more fully in District Ordinance #7.
4. When the applicable Beach Fee has been paid, such payment entitles the owner to certain uses and rates at the District-owned Beaches and Boat Launch. This is defined more fully in District Ordinance #7.

7.0 Flow Chart of Policy 16.1.1



Recreation Roll Policy
Policy 16.1.1



F.6. Educational Session and Discussion on Board Policy 16.1.1 - Recreation Roll Policy (Presenting Staff Members: District General Manager Steve Pinkerton and Director of Finance Gerry Eick)

District General Manager Steve Pinkerton and Director of Finance Gerry Eick went over the submitted materials.

Trustee Callicrate said one of his concerns, referencing agenda packet page 234, is the undeveloped and unbuildable parcels. It was brought up in public comments tonight and has been as well at several meetings. When we have an unbuildable parcel, the whole point of the Recreation Fee is the family or single individual or commercial occupancy. On lots that can't be built upon there should be no Recreation Fee associated with them because they are not buildable or developable and this is where the picture gets muddled or thereabouts. There are other unbuildable/undeveloped parcels where we can't collect fees so this seems to be a moot point. Director of Finance Eick said he is familiar with what we have and not locked on any answer rather this is about bringing this before you as there are a lot of questions and then start down the path of committing to the Washoe County Assessor's nomenclature with the long term outcome being bringing the definition to what we want covered or excluded and that begin with getting aligned with the Washoe County Assessor. We will then build a chart with the covered or not covered parcels and then make a code that makes sense and is comprehensive. Trustee Callicrate said you are right on the mark with nomenclature and asked if all members of the Board were on the same page with Washoe County and moving that forward. Trustee Horan said he agrees on the nomenclature and that getting this will help us get a better feel for the Recreation Roll. Trustee Morris said he agrees with what has been said and would like to continue to point out that this is educational as 16.1.1 is getting long in the tooth and that we do need to update them. He is a little concerned about combining more things into Ordinance 7 as that is opening a dam here. Director of Finance Eick said he is not suggesting adding anything to Ordinance 7 rather provide definition and administration and get that down in writing what has been a practice that has been handed down over time. This would be similar to what we do with Ordinance 1 which is have the ordinance and update the exhibits and thus we end up with an exhibit and not altering the ordinance and that substance. Trustee Morris said he appreciates that explanation and it calms him; work on. Trustee Dent said he likes the idea of making some updates to get us where we should be Washoe County and asked what the timeline is. District General Manager Pinkerton said it is a matter of priority as there is a whole number of things we are working on and it is really up to the Board to see if you want to move it up in the process. Director of Finance Eick added that he would like to have something to use for next Spring's

Recreation Roll which is not impossible and he is open to the Board to directing us to work on it. He did work on the Recreation Roll this past year and he appreciates the data that is in the Washoe County Assessor's office which is all manual so we may need up to two cycles to make it active.

Trustee Dent asked if the Washoe County Assessor's database is available. Director of Finance Eick said it is available from the Washoe County Assessor if one asks for it. There are 9,316 Assessor's Parcel Numbers within the boundary and not all qualify. Part of the process is to sort through. This information is available through the Washoe County Assessor's office and anyone can get that from them. District General Manager Pinkerton said you can click on them right now and get it. Trustee Dent asked if we got a special report that comes to the District. Director of Finance Eick said no they do not make a special report for us however we deal with it once received. Trustee Dent said it is in our best interest to put this on an agenda in the future and have a discussion about what changes or modifications we want so let's have this come back to the Board in the near future and noted that it is nice to have this happening at the Board level. Chairwoman Wong said that this is one on a long list which includes getting an update of the IVGID code and a list of issues etc. that need Board input. District General Manager Pinkerton said that the long range calendar addresses it. District Legal Counsel Guinasso said he can give an update on the IVGID code. Trustee Callicrate asked if Staff can get the nomenclature from the Washoe County Assessor as the initial first step. Director of Finance Eick said he would like to continue his research on that as it is fundamental to any question you might raise in the future. Trustee Morris said he does like the idea of getting an update on the IVGID code and the list of all things we are juggling as he doesn't know how critical this is and what is our cost of doing nothing on this in the scheme of things. Director of Finance Eick said he sees merit in making the process clear so that along the way if you, as a Board, don't like something you can say so. This is naturally a part of our process to make you all well informed representatives. Staff is hoping to also create some understanding that we have no regulatory power and that we are at the mercy of this list and we hope to describe the part that we are in control of and that we are doing the right thing. Chairwoman Wong said that we are not talking about taking away any existing recreational access. District General Manager Pinkerton said he would like to do an update for the people who are confused as this flowchart has come in handy a number of times for a representation.

G. DISTRICT STAFF UPDATE (for possible action)

G.1. General Manager Steve Pinkerton

MEMORANDUM

TO: Board of Trustees

FROM: Gene Brockman
Vice Chairman

SUBJECT: Amend Recreation Roll Policy 16.1.1

DATE: October 15, 2009

I. RECOMMENDATION

That the Board of Trustees move to amend Section 2.0, subparagraph 6. as stated below AND add subparagraph a. to subparagraph 6. as stated below. The recommended change and addition to the Recreation Roll Policy 16.1.1 will be effective immediately.

Section	Current Text	Proposed Replacement Text
2.0 Paragraph 6.	Exempt Real Property is property not subject to payment of a Recreation Fee.	Exempt Real Property is real property that is located within the current geographic boundaries of the District but which Washoe County has exempted from paying Washoe County property tax. "Exempt Real Property" includes but is not limited to, real property that is used or intended for use for religious or educational purposes, condominium and town house common areas that do not include any Dwelling Units, and publicly owned property.

Subparagraph a. to be added after above proposed replacement text of Paragraph 6. – new text proposed to add:

- a. The owner of a Dwelling Unit that is both located on an Exempt Real Parcel and is occupied as a residence in support of the allowed use by the Exempt Real Parcel may apply to the District to place that Dwelling Unit on the Recreation Roll. Upon (a) acceptance by the District of such application and (b) receipt of payment of the prescribed annual Recreation Fee, and if applicable, the Beach Fee, the Dwelling Unit shall be

considered to be Qualified Real Property; but only for so long as the ownership and use of such does not change materially

II. BACKGROUND

When Staff attempted to apply the June 10, 2009 adopted Recreation Roll Policy 16.1.1 it was discovered specific language I had intended to include in the final draft of the Recreation Roll Policy 16.1.1 was not included. The language I intended to include is specifically related to Exempt Real Property and to Dwelling Units located on exempt real property.

III. FINANCIAL IMPACT AND BUDGET

The result of implementing the amended Recreation Roll Policy will impact future recreation fees to what real properties are assessed the Recreation Fee and if applicable, the Beach Fee and to how and when exempt real properties come on and off the recreation roll.

IV. ALTERNATIVE

Not adopt the recommended amendment to the Recreation Roll Policy 16.1.1 and require Staff to come to the Board of Trustees on a case by case basis as to address exempting real property from the Recreation Fee, and if applicable, the Beach Fee.



Recreation Roll Policy

Policy 16.1.1

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3. Recreation Roll is a listing created by the Incline Village General Improvement District of real property, using the Washoe County Assessor parcel number, that is in one of the categories listed in 1.0 of this document who pay the annual Recreation Fee, and where applicable the Beach Fee.
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Recreation Roll Policy

Policy 16.1.1

A. The owner of a Dwelling Unit that is both located on an Exempt Real Parcel and is occupied as a residence in support of the allowed use by the Exempt Real Parcel may apply to the District to place that Dwelling Unit on the Recreation Roll. Upon (a) acceptance by the District of such application and (b) receipt of payment of the prescribed annual Recreation Fee, and if applicable, the Beach Fee, the Dwelling Unit shall be considered to be Qualified Real Property; but only for so long as the ownership and use of such does not change materially.

7. Unbuildable Parcel is a parcel so classified by Washoe County and is listed in Category 16 or 17 by the Washoe County Assessor, and has been removed from the Recreation Roll by the District following the owner's petition.

3.0 Qualifying Real Properties Subject to Fee Assessments

1. Real property in one of the categories listed in Section 1.0 that was within the boundaries of the District when it acquired the beach properties on June 1, 1968. These properties are charged the annual Recreation Fee and charged the annual Beach Fee.
2. Where real property parcels have been split for development purposes, the resulting smaller parcels are considered to have the same qualifications as the original parcel.

4.0 Real Property Exempt from Paying Fee Assessments

1. When development takes place that results in new parcels or additional dwelling units, each new parcel or dwelling unit becomes a Qualified Real Property and is placed on the Recreation Roll.
2. Information contained on the Washoe County Assessor's "Real Property Assessment Data" sheets will be used to determine eligibility for a property to be classified as a Qualified Real Property.
3. Qualified Real Property that is added to the Recreation Roll as a result of conditions listed in paragraph 1 or 2 above, or by annexation or merger of territory to the District may be required to pay to the District an entry fee as established by the District based on the portion of the Recreation Fee and Beach Fee that was used for capital purposes.



Recreation Roll Policy

Policy 16.1.1

5.0 Reinstatement to the Recreation Roll

1. An unbuildable parcel that has been removed from the Recreation Roll by petition can be restored to the Recreation Roll, and thereby have recreation privileges restored by first paying the total amount of recreation and, if applicable Beach Fees that had been have levied since the parcel was taken off the Recreation Roll, plus any fees or penalties permitted by the State of Nevada as defined in Nevada Revised Statute (NRS) 99.040(1).
2. An exempt parcel not on the Recreation Roll may obtain a qualified status if the general plan and zoning designation of the property is changed by Washoe County, according to the provision of NRS and Washoe County Code.

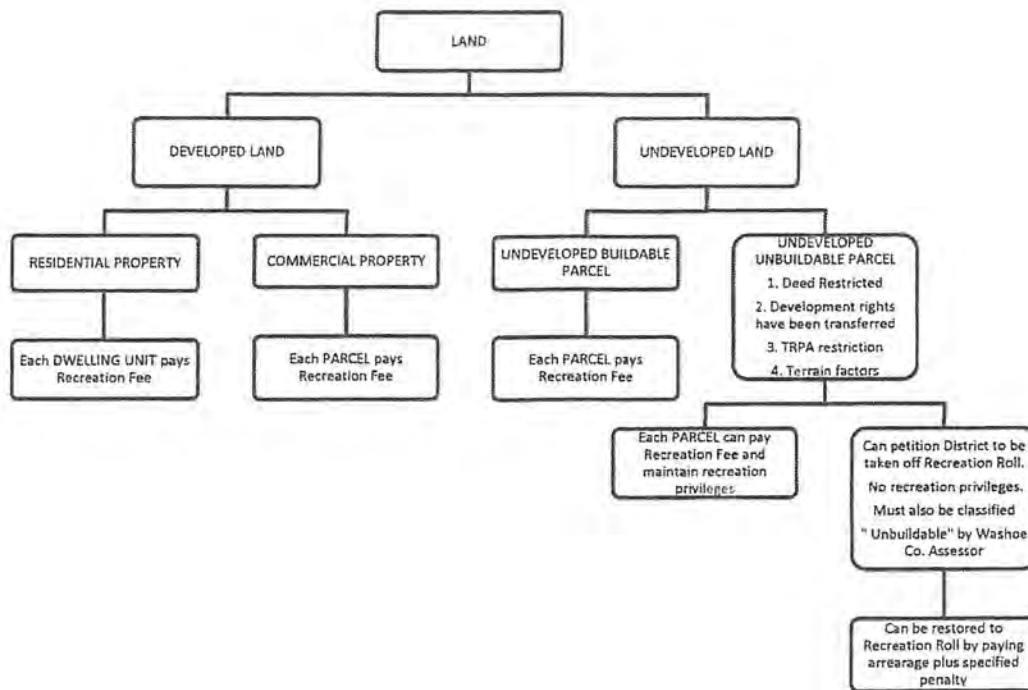
6.0 Setting and Collection of the Recreation Fee and the Beach Fee

1. The Board of Trustees will set the amount of the Recreation Fee and the Beach Fee annually as part of the budget preparation process.
2. The Board of Trustees will set the method and manner of collection of the Recreation Fee and the Beach Fee annually by resolution.
 - A. The Board of Trustees may choose to follow the procedure set forth in NRS 318.201 and have the Recreation and Beach Fees collected annually by the Washoe County Treasurer along with other taxes collected by the County.
3. When the applicable Recreation Fee has been paid, such payment entitles the owner to certain uses and rates at certain District-owned recreation facilities, excluding the Beaches and Boat Launch. This is defined more fully in District Ordinance #7.
4. When the applicable Beach Fee has been paid, such payment entitles the owner to certain uses and rates at the District-owned Beaches and Boat Launch. This is defined more fully in District Ordinance #7.

7.0 Flow Chart of Policy 16.1.1



Recreation Roll Policy
Policy 16.1.1



venues; Director of Finance, Accounting and Information Technology Cruz said that Staff has very detailed lists and that this presentation was already made to the Board.

G. CORRESPONDENCE

Clerk to the Board of Trustees Susan Herron reported that correspondence was received from The Children's Cabinet at Incline Village and it was distributed to the Board of Trustees.

H. PUBLIC COMMENTS

Joe Shackford asked what happened with the nuisance thing. Chairman Fuller said that this was already reported on however Trustee Brockman would be happy to speak with Mr. Shackford after the meeting.

I. CONSENT CALENDAR

- I.1. Employee Health Insurance – Renewals (Saint Mary's Preferred Health Insurance Company, Standard Insurance Company and Medical Eye Service)**
- I.2. 2010 Sink'em and Hold'em Golf and Poker Tournament Request**

Trustee Weinberger made a motion to approve the Consent Calendar as submitted. Trustee Brockman seconded the motion. Chairman Fuller asked for public comments, receiving none, brought the question back to the Board where the question was called and the motion was passed unanimously.

J. GENERAL BUSINESS

- J.1. Policy 16.1.1 Recreation Roll Policy – Proposed Changes to Section 2.0., subparagraph 6. and addition of paragraph a. to subparagraph 6. in Section 2.0**

Trustee Brockman said that very shortly after this policy was approved, it was discovered that a very relevant paragraph was inadvertently left out.

Trustee Epstein made a motion to move to amend Section 2.0, subparagraph 6. as stated below AND add subparagraph a. to subparagraph 6. as stated below. The recommended change and

addition to the Recreation Roll Policy 16.1.1 will be effective immediately.

Section	Current Text	Proposed Replacement Text
2.0 Paragraph 6.	Exempt Real Property is property not subject to payment of a Recreation Fee.	Exempt Real Property is real property that is located within the current geographic boundaries of the District but which Washoe County has exempted from paying Washoe County property tax. "Exempt Real Property" includes but is not limited to, real property that is used or intended for use for religious or educational purposes, condominium and town house common areas that do not include any Dwelling Units, and publicly owned property.

Subparagraph a. to be added after above proposed replacement text of Paragraph 6. – new text proposed to add:

- a. The owner of a Dwelling Unit that is both located on an Exempt Real Parcel and is occupied as a residence in support of the allowed use by the Exempt Real Parcel may apply to the District to place that Dwelling Unit on the Recreation Roll. Upon (a) acceptance by the District of such application and (b) receipt of payment of the prescribed annual Recreation Fee, and if applicable, the Beach Fee, the Dwelling Unit shall be considered to be Qualified Real Property; but only for so long as the ownership and use of such does not change materially

Trustee Bohn seconded the motion.

Chairman Fuller, hearing no further comments from the Board, asked for public comment. Receiving none, Chairman Fuller brought the matter back to the Board and called the question – the motion was passed unanimously.

History

**RECREATION PASS POLICY AND RECREATION CHARGE
Incline Village General Improvement District**

Prior to the purchase of Burnt Cedar and Incline Beaches by IVGID, each person who purchased property from the Crystal Bay Development Company was required to purchase a share of stock in the Incline Village Recreation Association and pay assessments levied by the Incline Village Recreation Association. The Incline Village Recreation Association was dissolved in 1968 because the Recreation Association did not have the means to obtain financing for the purchase of the beaches.

In 1965, Washoe County added public recreation to IVGID's powers. In 1968, IVGID issued \$2,685,000 in revenue bonds for the acquisition of Burnt Cedar and Incline Beaches (\$2.1 million) with the balance to be used to pay the first year's interest, establish a bond reserve fund, and pay the costs incurred in connection with the issuance of the bonds.

Year	Synopsis of Policy	Recreation Charge
1968	<p>Beach passes were issued to property owners based on the number of persons in the immediate family in residence. Temporary passes could be obtained for renters or guests for the period of their occupancy.</p> <p>Two permanent passes per bedroom were issued to hotel, motel and regularly rented homes or condominiums. Passes were issued in the name of the owner and it was the owner's responsibility to get them into the hands of the renter-users.</p> <p>Beach guest fees: adults - \$1 per day, children 12 and under - 75¢ per day.</p>	<p>Rec charge was \$50 per single family unit, \$250 per acre for multi-residential acreage, \$15 per acre for single family acreage, and \$25 per room for hotels and motels. Commercial and industrial property was excluded.</p>
1971	<p>Renewal stickers were mailed with the newsletter to all property owners who had permanent passes from prior years.</p>	<p>No change</p>
1972	<p>Passes issued to residential property owners and the owner's family (living together and related by blood, marriage or adoption) or a group of not more than four persons not related but living together in a dwelling unit.</p> <p>Owners of rental properties were issued not more than five passes upon surrender of any permanent passes issued for the property. Two permanent passes issued for each hotel or motel bedroom, issued in the name of the hotel.</p> <p>Joint owners may acquire permanent passes upon application for passes and payment of an additional \$50 per family.</p> <p>Daily beach passes - \$1 each, children under six accompanied by an adult admitted free.</p> <p>Owners of commercial or industrial properties could obtain seasonal passes to the beaches upon approval of the application by the Trustees and payment of a \$50 seasonal charge per pass.</p>	<p>No change</p>

Year	Synopsis of Policy	Recreation Charge
1977	<p>Added golf, ski and bowl.</p> <p>Special rates for cardholder at Ski Incline, green fees at Championship and Executive Golf Courses, and lineage at Bowl Incline.</p> <p>Regardless of the number of properties owned, property owner is entitled to receive only one card for himself and each qualified family member (husband, wife and all unmarried siblings living in the same residence).</p> <p>Commercial or industrial property owners may apply yearly for seasonal cards upon approval of the application by the Trustees and payment of \$100 per card.</p>	<p>\$100 for properties with beach privileges; \$50 for properties without beach privileges (properties annexed to the District since June 1, 1968); multi-residential acreage \$500 per acre; single family acreage \$30 per acre; general forest: \$15 per acre; hotel and motel: \$50 per room. Properties without beach privileges paid one-half of the full rec charge.</p>
1979	<p>Identification cards issued to each member of the owner's immediate family, including spouse and unmarried children under 21 who are living at home.</p> <p>In the case of multiple ownership, each additional family whose name appears on the deed must pay \$100 per year if ID cards are desired for their family.</p> <p>Tenants in residence for more than one year may obtain ID cards with full property owner privileges and discounts, upon verification of residence and payment of a \$100 annual fee.</p> <p>Guests and tenants of less than one year are not eligible for reduced rates.</p> <p>Owners of time-share are classified as tenants, but may qualify for property owner benefits by presenting proof of ownership and payment of a \$100 annual assessment per family unit.</p>	<p>No change</p>
1981	<p>Each parcel received three photo identification cards and five coupons. Property owners may choose to receive five coupons in lieu of each photo ID card.</p> <p>A coupon was good for two adult beach passes or five child beach passes or a \$5 discount toward the purchase of a Ski Incline lift ticket or a full-price round of golf or a full-price tennis court rental.</p>	<p>Rec Charge: \$195 for residential properties with beach privileges; \$130 without; multi-residential acreage: \$975/\$650; single family acreage: \$58.50/\$39; general forest: \$29.25/\$19.50; hotel/motel: \$97.50/\$65 per room.</p>
1982	<p>Each parcel entitled to three property identification cards. Cards in excess of three may be issued for any member of a property owner's immediate family, children 18 years and under living at the residence and children 19 and older and registered as a full-time student. Need not be living in the residence but must be a legal dependent.</p> <p>Short-term condominium renters or hotel-motel guests are eligible to use the recreation facilities but must pay full price.</p>	<p>Rec Charge reduced to \$175/\$130; multi-residential acreage: \$875/\$650; single family acreage: \$52.50/\$39; general forest: \$26.25/\$19.50; commercial parcels: \$175 for each commercial parcel zoned TC or GC including hotel and motel parcels (the hotel motel per-room charge was eliminated).</p>
1983		<p>Rec Charge returned to 1981 level, i.e., \$195/\$130, etc.</p>

Year	Synopsis of Policy	Recreation Charge
1988	<p>Ordinance No. 7, Recreation Pass Policy, initially adopted November 12, 1987, to become effective January 1, 1988.</p> <p>Two options: Family – recreation passes may be assigned to any two adults living in the same household and each adult’s children. No limit on total number of privileges, but may only be issued to two adults and children of the two adults. No Recreation Punch Cards could be issued under this option.</p> <p>Parcel Option – A combined limit of three Recreation Passes and/or Recreation Punch Cards may be issued under this option. Persons receiving privileges under this option need not be related to each other or to a parcel owner.</p> <p>Property owners may receive additional passes or cards, by paying an additional annual recreation fee, or they may purchase additional punch cards at the face value of the card.</p>	
1989		Rec Charge increased to \$225/\$150; \$1,125/\$750; \$67.50/\$45; \$33.75/\$22.50
1991	Ordinance 7 amended. Paragraph on assignment procedures amended to make owners responsible for their assignees.	
1993		Rec roll changed to eliminate acreage charges based on zoning – all parcels assessed one rec charge. The rec charge was \$225 for parcels with beach privileges and \$150 for parcels without beach privileges.
1993	Ordinance No. 7 amended, effective February 1, 1994. “Family” and “Parcel” options eliminated. Up to five photo identification passes or punch cards for every eligible parcel. Additional passes or cards can be purchased at a cost of one-fifth the recreation fee. Only three recreation passes would be eligible to purchase golf season passes. The fourth and fifth, and any additional recreation passes, would be entitled to receive resident discounts for daily play.	
1995	<p>Ordinance No. 7 amended to restrict property owners’ assignment of recreation pass privileges to family members or residents and limit the assignment of recreation passes to a minimum term of six months. Every parcel is eligible for a combination of up to five Recreation Passes or Recreation Cards. Recreation Passes may be assigned to property owner’s eligible family member, or resident, or resident’s eligible family member or commercial tenant.</p> <p>New paragraph added restricting a maximum of three Recreation Passes per parcel to obtain season passes for golf. If three season passes are received, no other Recreation Passes or Recreation Cards can be used to obtain daily discounts at the golf courses.</p> <p>Selling of recreation privileges not allowed.</p> <p>Additional recreation passes can only be purchased for eligible family members of parcel owners or residents.</p>	Rec Charge increased to \$275/\$200 with a sunset provision.
1995	Above amendments clarified June 12, that it was not the intent of the Board to limit the use of Recreation Cards to obtain daily discounts at golf, and definition of family changed to first and second degrees of consanguinity and affinity.	

Year	Synopsis of Policy	Recreation Charge
1998	Ordinance No. 7 amended to eliminate references to use of Recreation Passes to obtain golf season passes which were no longer available; provided that only five Recreation Passes per parcel can be used to obtain daily golf discounts; clarified recreation privileges for commercial parcels; added a due-process procedure defining an appeal process for Pass or Card holder whose privileges are suspended for misconduct.	
1999		Rec charge increased to \$375/\$300
2001		Rec charge increased to \$445/\$370
2002		Rec charge remains at \$445/\$370
2003	Recreation Fee increased by \$85 for CIP projects – will sunset in 10 years (2012) and indexed to CIP (increase 3%) each year; reference May 15, 2003 Minutes.	Rec charge increased to \$562/\$466
2003-04	CIP increase of \$85 was for ten years and for Golf, Ski, and Tennis.	<i>April 30, 2003 Minutes (Reference)</i>
2004	Recreation Fee increased by 3% (\$85 was not indexed)	Rec charge increased to \$575/\$480
2005	Recreation Fee increased by 3% (\$85 was not indexed)	Rec charge increased to \$590/\$80
2006	Recreation Fee increased by 3% (\$85 was not indexed) and \$100 was added to pay for the first year's installment payment for the purchase of Incline Lake (\$31); and increase reserves (\$46)	Rec charge increased to \$690/\$580
2007	Recreation Fee increased by 3% (\$85 was not indexed) and \$150 was added to pay for a legal defense fund.	Rec charge increased to \$710 for parcels with beach access and decreased to \$560 for parcels without beach access
2008	Recreation Fee increased by 3% (\$85 was not indexed).	Rec charge increased to \$760 for parcels with beach access and decreased to \$605 for parcels without beach access
2008-09	CIP increase of \$110 was for ten years and for Ski, BMPs, and Parks	03/25/2009 Minutes (bottom of page 2, top of page 3)
2009	Recreation Fee was decreased at the request of the Board of Trustees (not to exceed \$760 was direction given)	Rec charge decreased to \$XXX for parcels with beach access and decreased to \$XXX for parcels without beach access
2010	The process of smoothing began	Recreation Facility Fee is \$730 Beach Facility Fee is \$100
2011		Recreation Facility Fee is \$730 Beach Facility Fee is \$100
2012		Recreation Facility Fee is \$730 Beach Facility Fee is \$100
2013		Recreation Facility Fee is \$730 Beach Facility Fee is \$100
2014		Recreation Facility Fee is \$730 Beach Facility Fee is \$100
2015		Recreation Facility Fee is \$730 Beach Facility Fee is \$100
2016		Recreation Facility Fee is \$730 Beach Facility Fee is \$100
2017		Recreation Facility Fee is \$705 Beach Facility Fee is \$125

Year	Synopsis of Policy	Recreation Charge
2018		Recreation Facility Fee is \$705 Beach Facility Fee is \$125
2019		Recreation Facility Fee is \$705 Beach Facility Fee is \$125
2020		Recreation Facility Fee is \$330 Beach Facility Fee is \$500

Note: This information is obtained through the best efforts of the researcher using the available documents and information. Although it is as accurate as possible, some information and dates may have been omitted.

L.3. Recreation Roll Policy: Policy 16.1.1.

Trustee Brockman, referencing agenda packet pages 97 – 99, said that this is the finalization of the document as previously discussed and then pointed out the changes that were made from the last time it was discussed; specifically Sections 4.1, 4.2, and 4.3. Trustee Brockman also noted that all of these changes were reviewed by District General Counsel who was agreeable. Trustee Brockman then said he wanted to make a minor revision to Section 2.0, paragraph 2.3, and that it reads as follows:

2.3 Recreation Roll is a listing created by the Incline Village General Improvement District of real property, using the Washoe County Assessor parcel number that is in one of the categories listed in 1.0 of this document who pay the annual Recreation Fee, and where applicable, the Beach Fee.

Trustee Brockman made a motion to adopt Recreation Roll Policy, Policy 16.1.1, as presented and amended and to direct Staff to implement any changes that are pending after this policy becomes effective. Trustee Bohn seconded the motion.

Trustee Bohn thanked Trustee Brockman and Director of Finance, Accounting and Information Technology Cruz and whoever else helped to clarify this issue and noted that their tenacity is paying off. Trustee Weinberger asked District General Counsel to please explain how paragraph 4.2 works with paragraph 4.1. District General Counsel Brooke said that it is his reading that a legal parcel, existing in Washoe County as reflected in the District records, will be assessed as such. Trustee Brockman added that the whole intent is to make heavy use of the Washoe County Assessor's data sheets which takes some of the burden off of the District and that he wanted to make sure that it is clear within this document. Chairman Fuller asked if the District was penalizing anyone, by implementing this policy now, who is waiting on the list. Trustee Brockman responded no. The two parcels, one by the car wash and the one behind the 76 station, are new and they would have come onto the rolls. What this does is simply clarifies how this is going to happen and it gives Staff the direction on how to do it. General Manager Horn, referencing the unbuildable parcels at Bitterbrush, noted that they aren't going to pay any property tax or CTX so isn't this just a ploy to get into the recreational venues. Chairman Fuller said that they do pay property tax. Trustee Brockman noted that it was a minimal amount. District General Counsel Brooke added that the property tax paid is based upon value and these

parcels are unbuildable. General Manager Horn said that Washoe County is consistently held up as the benchmark to measure up to yet the District has no control to stop the proliferation of access to our recreational venues such as the beaches, ski resort, golf courses, etc. Two parcels were brought on as affordable housing. Now more people will be brought on. When does the District, who manages this community, get any say on this situation? Public Works has a formula which allows money to be collected for infrastructure, etc. The District has no way to expand the golf courses or the beaches yet Washoe County is allowed to do all the dividing it wants to do and the District has no control of the implosion of these lots with the passage of this policy. Chairman Fuller, referencing paragraph 4.3, said that the District does have the ability to charge an entry fee. General Manager Horn said that this hasn't yet been established and it can't be done on the parcels by the car wash or the 76 station. Trustee Brockman said that was incorrect and that the District could charge them an entry fee. Further, the parcels behind the gas station will pay based on dwelling units and that it will be the same on the ones near the car wash. Furthermore, the District cannot use parcels anymore and it must use the term dwelling units, this is a policy statement from which Staff will now write the Practice statement, and that he visualizes that Staff will be coming back with a paragraph that addresses that specific issue. General Manager Horn asked if he had the authority to determine what the entry fee is as of right now and until Staff brings back the practice and then asked how Staff can make a decision on the pending cases. Trustee Brockman said that the Lake Tahoe School has to be set aside at this point and that the others are covered by this document. General Manager Horn stated that the District has no control over expansion and that Washoe County essentially controls us. Trustee Epstein asked at what point does the District have control over subdivided parcels and the increased access to its facilities when the District can't control what Washoe County does. Trustee Weinberger said that is true and that it is already the case and that the only thing that changes is that now the District can charge an entry fee; the District might be able to fund expansion of the Recreation Center out of the entry fee as an example. Trustee Bohn said that if he were to add a garage to his house, the District gets to stamp the plans; the District has no such thing for these and asked if District General Counsel could explain the research tools used. District General Counsel Brooke said that he did receive the direction to do the research from the Board and paragraph 4.3 is the answer. The District can establish an entry fee with no specific authority to do so and that it must be looked at from a dollars and cents point of view. This is the expectation and that if the District decides to do it; it should be defensible if it elects to go forward. This policy gives the

District the option and it also allows for deed restricted parcels to apply for access purposes. General Manager Horn asked if Staff could hold off until the Practice statement is written since this would be inconsistent with those that were approved several months ago. Trustee Brockman said that it is true that the District doesn't have any authority over subdivisions or parcel splits or anything else that is handled at the county level and that the District must take what Washoe County gives us; Nevada Revised Statutes Chapter 318 doesn't permit the District any authority over development. Chairman Fuller said that is correct and that the District is at Washoe County's mercy but that this policy does give the District some recourse. Trustee Brockman said that the District may want to charge a \$10,000 entry fee. General Manager Horn asked again if the Board of Trustees wanted Staff to wait until they bring back the Practice statement to them. District General Counsel Brooke suggested that each dwelling unit be reviewed to determine where they are in terms of their entitlements, that the Board of Trustees might want to impose a moratorium until the Practice statement is reviewed and that once there is a legal parcel, the District needs to recognize it, it is known that they have to pay a Recreation Fee and then they are entitled to privileges. General Manager Horn asked what the Board of Trustees expectations were for the Bitterbrush parcels. Trustee Brockman responded that the parcels behind the 76 station and those near the car wash are covered by this policy and a Practice statement is not needed for those two parcels. As for Bitterbrush, that issue remains out there. District General Counsel Brooke said that Bitterbrush is covered by Section 5.0 and that the Board of Trustees said to hold off on them until this policy came forward. General Manager Horn said that what Staff will do is they will call these groups, send them a bill with the rules and do this without bringing it back to the Board of Trustees for review/approval. As for the Practice statement, Staff acknowledges that they will have to come back with it sooner rather than later and it will include an entry fee. Chairman Fuller asked Staff to coordinate this with Washoe County so that individuals and others understand this procedure up front.

Chairman Fuller opened the matter for public comments, receiving none, brought the matter back to the Board and called the question – the motion was passed unanimously.



Recreation Roll Policy

Policy 16.1.1

The Incline Village General Improvement District is committed to providing superior community oriented recreation programs and facilities to the community. To support that commitment, the Board of Trustees has adopted the following policy relating to the establishment and eligibility to pay the Recreation Fee and, where applicable, the Beach Fee

POLICY: The Incline Village General Improvement District will charge the prescribed Recreation Fee and the Beach Fee to all qualifying real properties within the boundaries of the District.

1.0 The Incline Village General Improvement District will charge the prescribed Recreation Fee, and if applicable the Beach Fee, to all qualifying real properties in one of the following categories:

1. All dwelling units on developed residential parcels;
2. All commercial parcels; and
3. All undeveloped residential parcels which are not designated as unbuildable.

2.0 Definitions

1. Recreation Fee is the annual Recreation Standby and Service Charge assessed by the District on all real property within the District that is in one of the categories listed in Section 1.0 of this document.
2. Beach Fee is the annual Recreation Standby and Service Charge assessed by the District on all identified real property that was within the District on June 1, 1968, and is in one of the categories listed in Section 1.0 of this document.
3. Recreation Roll is a listing created by the Incline Village General Improvement District of real property, using the Washoe County Assessor parcel number, that is in one of the categories listed in 1.0 of this document who pay the annual Recreation Fee, and where applicable the Beach Fee.
4. Dwelling Unit as described in the Washoe County Code as "any building or portion thereof, which contains living facilities with provisions for sleeping, eating, cooking, and sanitation."
5. Qualified Real Property is property subject to payment of a Recreation Fee.
6. Exempt Real Property is property not subject to payment of a Recreation Fee.
7. Unbuildable Parcel is a parcel so classified by Washoe County and is listed in Category 16 or 17 by the Washoe County Assessor, and has been removed from the Recreation Roll by the District following the owner's petition.



Recreation Roll Policy

Policy 16.1.1

3.0 Qualifying Real Properties Subject to Fee Assessments

1. Real property in one of the categories listed in Section 1.0 that was within the boundaries of the District when it acquired the beach properties on June 1, 1968. These properties are charged the annual Recreation Fee and charged the annual Beach Fee.
2. Where real property parcels have been split for development purposes, the resulting smaller parcels are considered to have the same qualifications as the original parcel.

4.0 Real Property Exempt from Paying Fee Assessments

1. When development takes place that results in new parcels or additional dwelling units, each new parcel or dwelling unit becomes a Qualified Real Property and is placed on the Recreation Roll.
2. Information contained on the Washoe County Assessor's "Real Property Assessment Data" sheets will be used to determine eligibility for a property to be classified as a Qualified Real Property.
3. Qualified Real Property that is added to the Recreation Roll as a result of conditions listed in paragraph 1 or 2 above, or by annexation or merger of territory to the District may be required to pay to the District an entry fee as established by the District based on the portion of the Recreation Fee and Beach Fee that was used for capital purposes.

5.0 Reinstatement to the Recreation Roll

1. An unbuildable parcel that has been removed from the Recreation Roll by petition can be restored to the Recreation Roll, and thereby have recreation privileges restored by first paying the total amount of recreation and, if applicable Beach Fees that had been have levied since the parcel was taken off the Recreation Roll, plus any fees or penalties permitted by the State of Nevada as defined in Nevada Revised Statute (NRS) 99.040(1).
2. An exempt parcel not on the Recreation Roll may obtain a qualified status if the general plan and zoning designation of the property is changed by Washoe County, according to the provision of NRS and Washoe County Code.

6.0 Setting and Collection of the Recreation Fee and the Beach Fee

1. The Board of Trustees will set the amount of the Recreation Fee and the Beach Fee annually as part of the budget preparation process.



Recreation Roll Policy

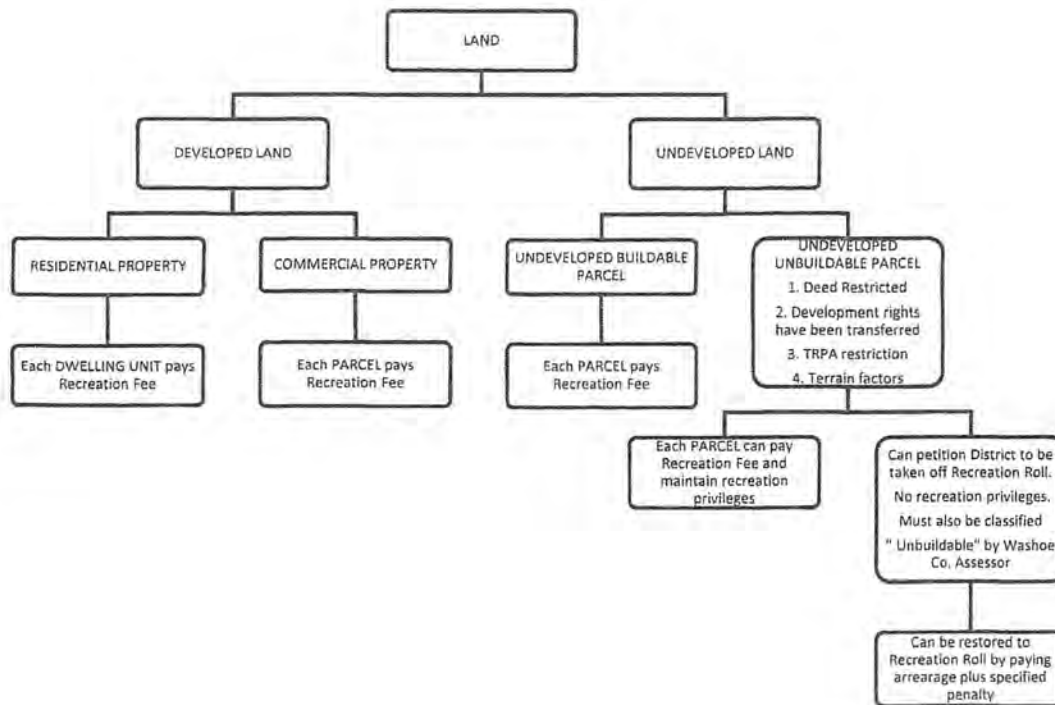
Policy 16.1.1

2. The Board of Trustees will set the method and manner of collection of the Recreation Fee and the Beach Fee annually by resolution.
 - A. The Board of Trustees may choose to follow the procedure set forth in NRS 318.201 and have the Recreation and Beach Fees collected annually by the Washoe County Treasurer along with other taxes collected by the County.
3. When the applicable Recreation Fee has been paid, such payment entitles the owner to certain uses and rates at certain District-owned recreation facilities, excluding the Beaches and Boat Launch. This is defined more fully in District Ordinance #7.
4. When the applicable Beach Fee has been paid, such payment entitles the owner to certain uses and rates at the District-owned Beaches and Boat Launch. This is defined more fully in District Ordinance #7.

7.0 Flow Chart of Policy 16.1.1



Recreation Roll Policy
Policy 16.1.1



this Board agrees to increase the Recreation Fee by \$110 thus the Recreation Fee remains the same. District General Counsel Guinasso said that we can't change the submitted memorandum so everyone should look at the minutes to support the action and that all the points will speak to the intent relative to what you approve. Chairwoman Wong said that she is not seeing an appropriate place within Resolution 1863 however when we go to approve the final budget on May 23, 2018 and maybe we can include a statement and/or expanded statement and/or more definitive statement in the memorandum so that the discussion will go on the record; she is proposing a more official discussion on May 23, 2018. Director of Finance Eick said that the Board will have a Staff report and Staff will add additional detail to that section so that it is on the record. Trustee Callicrate cautioned that it needs to be very clear in order to put this issue to rest. The Board discussed it on April 11, 2018, they understand that the bond is maturing/being retired and that we are appropriating those same monies to the Recreation Fee of \$830 in order to meet our ever growing capital needs. Chairwoman Wong suggested it be included in the memorandum in a separate section and that it is stated that the Board recognizes the maturation of the bond, that the Board wants to maintain the Recreation Fee at \$830, and that here is why we have the discussion every year and that the Board practice is that the discussion is held during the annual budget process. Director of Finance Eick said that would fit perfectly in the Comment section of the memorandum.

Trustee Horan made a motion to adopt Resolution Number 1863 which preliminarily approves the report for collection of recreation standby and services charges (also known as the Recreation Facility Fee and Beach Facility Fee) and sets forth the public hearing date of Wednesday, May 23, 2018 at 6:00 p.m. at the Chateau, 955 Fairway Boulevard, Incline Village, Nevada. Trustee Callicrate seconded the motion. Chairwoman Wong asked for comments, receiving none, called the question – the motion was passed unanimously.

Chairwoman Wong called for a break at 8:17 p.m.; the Board reconvened at 8:26 p.m.

- G.4. Review, discuss and possibly approve a payment to the Washoe County Treasurer's Office in the amount of \$33,177.81 consistent with Nevada Revised Statutes 361.603(4) and defer disposition of any other parcels that were acquired via Nevada Revised Statutes 361.603 until a Formal Land Disposition Policy (or its**

equivalent) can be developed and incorporated into the forthcoming Incline Village General Improvement District Code (Requesting Staff Member: District General Manager Steve Pinkerton) *(was General Business Item G.5.)*

Trustee Horan made the following statement:

The Board packet gives a very good summary of this issue and I encourage everyone to read the entire packet. The highlights are as follows:

- *IVGID had the legal authority to take this action. We are subject to NRS 318 when selling property and not the NRS applicable to counties, cities, etc. NRS 318 is applicable to all GIDs in the state.*
- *This was not done in secret. This is well documented in the documents that are part of the packet. If anything that could have been done better, it would be the documentation of conversations that were held with the County about our intention to sell the property. Payment of the back property taxes to the County were part of the discussion and when the transfer was made without restriction that was brought to the attention of the County. I have examined the Quitclaim deed issued by the County for the parcels and it states the approval was based on the determination that a public purpose would be served by the acquisition of the property. I think that it is interesting that the County did not question when the lots were sold and placed back on the County tax roll.*
- *When this subject was brought up at the end of last year, three people were severely criticized, General Manager Pinkerton, Finance Director Eick and Counsel Guinasso. Regarding both Pinkerton and Guinasso, this process predated their employment by the District. The third parcel sale that was completed at the end of 2015 was one that began before their employment and they allowed to complete. However, they both recognized the way the lots were being sold needed to be revisited and a hold was placed on the process. Finance Director Eick was unjustifiably accused of illegal activity. This had no basis in fact. As stated earlier, all these actions were handled in an appropriate manner.*

I have the upmost respect for Mr. Eick and feel that he maintains the highest standard of knowledge, professionalism and ethical standards.

He is very well respected by his peers, within the industry, and the Nevada State regulatory bodies that oversee our activities.

District General Manager Pinkerton gave an overview of the submitted materials.

Chairwoman Wong said that we heard a public comment about future taxes and it is her understanding that the taxes become the responsibility of the purchaser. District General Manager Pinkerton said as do the Recreation Fee and that the property taxes are about five dollar per year.

Trustee Horan said that in the execution of this he would like to have a signed agreement, with Washoe County, that they are going to give the District the specific amount back in Recreation Fee. District General Manager Pinkerton said he thought a letter of some sort might be possible. District General Counsel Guinasso said that he will speak to Washoe County General Counsel to memorialize that understanding.

Trustee Dent said we also heard a public comment about the possibility of a title company having some responsibility. District General Manager Pinkerton said that at the time these parcels were sold, Washoe County didn't ask for any outstanding taxes thus this request to pay taxes. Chairwoman Wong said that the net cost is \$1,600 and this research would cost more in Staff time. District General Counsel Guinasso said that he has looked at the merits and that the transfer was made under the applicable section of the Nevada Revised Statutes so there was no reason for the title company to tag that issue and therefore no issue for the title company to have any responsibility as the change was made at a future date when it went from NRS 361.603(5) to NRS 361.603(4).

Trustee Dent said that there has been a lot of discussion on social media about picture passes and punch cards and getting unlimited punch cards; do we know how many are issued on these three parcels. District General Manager Pinkerton said that none of them have requested any additional punch cards other than the five and that one parcel only has two.

Trustee Horan made a motion to pay the Washoe County Treasurer's Office \$33,177.81 in delinquent taxes owed on Assessor Parcels 126-294-18, 126-294-28 and 126-294-29, consistent with Nevada Revised Statutes 361.603(4) and to direct Staff to defer disposition of any other parcels that were acquired via Nevada Revised Statutes 361.603 until

a Formal Land Disposition Policy (or its equivalent) can be developed and incorporated into the forthcoming Incline Village General Improvement District Code. Trustee Morris seconded the motion. Chairwoman Wong asked for any comments.

Trustee Callicrate said that he didn't like the fact that the District is having to do this and in a sense it is going back and undoing this to pay these monies but because all of a sudden we are collecting the Recreation Fee, Washoe County wants to get the monies back, it is a very bad way to conduct business. He was against this from the beginning and how it has proceeded. He doesn't think it is a clean way to do this thus he will not be supporting this motion.

Chairwoman Wong said she will be supporting this motion as it was done in the past and we have done our due diligence and this motion takes the step to do that. In terms of Washoe County changing their mind, we don't have control over that and it is costing us \$1,600 for a maybe it was or maybe it wasn't which is a small price to pay for moving forward.

Trustee Horan said that the District did collect forty six thousand dollars and we are getting twenty four hundred dollars in Recreation Fees which we can talk about, etc. but it is time to develop a policy and move forward. It is not worth the Staff or Legal time so he will be supporting this motion.

Trustee Dent said he will not be supporting the motion because Nevada Revised Statutes 318.160 is pretty clear and the Board didn't authorize this sale. How do we know what the parcels are worth as we probably, could have gotten quite a bit more so he is not supporting this action.

Trustee Morris said he is supporting this motion as he doesn't see any point of spending any more money, let's put it to bed, and move forward.

Hearing no further comments, Chairwoman Wong called the question – Trustee Morris, Wong, and Horan voted in favor of the motion and Trustees Callicrate and Dent voted opposed; the motion passed.

- G.5. Review, discuss, and possibly approve Resolution 1861 for Proposed Amendments to Sewer Ordinance No. 2 and review, discuss, and possibly approve Resolution 1862 for Proposed Amendments to Water Ordinance No. 4 that includes a utility rate**



STATE OF NEVADA
OFFICE OF THE ATTORNEY GENERAL
SUPREME COURT BUILDING
CARSON CITY 89701

ROBERT LIST
ATTORNEY GENERAL

September 11, 1975

Lester H. Berkson, Esq.
P. O. Box 269, Lake Tahoe
Stateline, Nevada 89449

Dear Mr. Berkson:

You have stated that the Incline Village General Improvement District (IVGID) has, pursuant to NRS 318.200, fixed a service charge and standby service charge for the operation and maintenance of community beaches, a swimming pool and recreational areas for its residents. NRS 318.201 authorizes the IVGID to elect to have such charges collected on the tax roll of the county together with general taxes.

The IVGID, pursuant to NRS 318.201, has so elected to have its charges collected on the tax roll of the county and, in accordance with that statute, submitted an annual report to the county treasurer for the purpose of determining what property shall be charged and at what rates. Paragraph 2(f) provides a list of exceptions to such charges. Charitable corporations are not included in the list of these exceptions.

A property owner in the District, Sierra Nevada College, has received an exemption from the levy of general taxes by Washoe County pursuant to NRS 361.140 as a charitable corporation. Sierra Nevada College has now applied to the IVGID to be exempt from the levy of recreational charges on the tax roll based on the fact that they are now exempt from the county's general taxes.

NRS 318.201(12) provides as follows:

"All laws applicable to the levy, collection and enforcement of general taxes of the District, including, but not limited to, those pertaining to the matters of delinquency, correction, cancellation, refund, redemption and sale, are applicable to such charges."

Lester H. Berkson, Esq.
September 11, 1975
Page Two

You have, therefore, asked the following question:

"Must IVGID allow those property owners who have been granted an exemption from the levy of general taxes on the tax roll by Washoe County a like exemption from the payment of recreation service charges collected on the same tax roll for the use of recreational facilities furnished by IVGID pursuant to NRS 318.200 and 318.201?"

The answer to this question would be in the negative. The specific authority for levying recreational charges upon property owners in a general improvement district is found in NRS 318.200. Any exemptions to such charges could be granted by a general improvement district pursuant to that statute and only that statute. The sole purpose of NRS 318.201, on the other hand, is merely to allow a convenient means of collecting this tax. That is, rather than have a general improvement district go to the trouble and expense of issuing its own tax levy, the statute provides that the county treasurer may permit the collection of such charges along with the general taxes of the county. The exemptions which may be contained in Chapter 361, therefore, pertain only to general taxes and not to the district's recreational charges.

NRS 318.201(12) does not, therefore, refer to all substantive laws relating to the collection of taxes, but only to the procedural laws of levying, collecting, and enforcing taxes and charges upon the residents of the county and the District. This is apparent from the language of the statute itself which evinces a clear intention to apply only the collection and enforcement provisions of Chapter 361 relating to such matters as delinquency, correction, cancellation, refund, redemption and sale.

Accordingly, it is the opinion of this office that the IVGID need not grant a service charge exemption to a charitable corporation merely because such a charitable corporation has also been granted an exemption by the county

Lester H. Berkson, Esq.
September 11, 1975
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from the county's general taxes. The IVGID is perfectly capable, pursuant to NRS 318.200, to grant or not grant such an exemption on its own.

Sincerely,

ROBERT LIST
Attorney General

By:
Donald Klasic
Deputy Attorney General

DK:rms

MEMORANDUM

TO: Board of Trustees

FROM: Tim Callicrate
Chair of the Board

Indra Winquest
General Manager

Josh Nelson
General Counsel

SUBJECT: Review, discuss, and provide potentially approve a scope of work for special legal counsel related to the beach deed and authorize the General Manager to execute a contract with counsel not-to-exceed \$25,000

DATE: September 2, 2021

I. RECOMMENDATION

That the Board of Trustees review, discuss, and provide potentially approve a scope of work for special legal counsel related to the beach deed and authorize the General Manager to execute a contract with counsel not-to-exceed \$25,000.

II. BACKGROUND

IVGID owns and maintains beaches along Lake Tahoe. These beaches were deeded to IVGID in 1968. This deed provides that the beaches shall be used "... only for the purposes of recreation by, and for the benefit of property owners and their tenants (specifically including occupants of motels and hotels) within the Incline Village General Improvement District as now constituted, and as the Board of Trustees of said District may determine, the guests of such property owners...."

Earlier this year, the Board of Trustees considered its historic practice of providing beach access to non-resident employees. During its discussion, the Board of Trustees requested that the General Manager retain special legal counsel to review this issue in more detail. In addition, the General Manager has convened an advisory committee to assist him in considering potential edits to Ordinance No. 7 for Board consideration. Some of these edits likely will involve beach access, and the Board will consider these potential edits in the upcoming months. It may be advisable to have special legal counsel review these potential edits for

consistency with the beach deed. Lastly, the Board may wish to make amendments to Policy 16.1 related to the recreation roll. Again, this may be an area where special counsel could provide assistance.

This item seeks Board approval of the proposed scope, selection process, and not-to-exceed amount for this work. For scope, the Board could retain special legal counsel for (1) a review of IVGID's historic practice of providing beach access to non-resident employees to ensure compliance with the deed and (2) to review any proposed edits to Ordinance No. 7 or Policy 16.1 to ensure compliance with the deed. To provide a competitive selection process, the Board should consider soliciting proposals from interested firms or attorneys. Selection of the firm or attorney could be structured a number of ways. However, to ensure this project moves forward expeditiously, the Board may wish to authorize the Chair and General Manager with input from the General Counsel to review and select the special counsel. The General Manager would then be authorized to execute a contract with the selected counsel with an expenditure limit of not-to-exceed \$25,000. This is less than the General Manager's general expenditure authority.

III. FINANCIAL IMPACT AND BUDGET

The proposed impact would be not-to-exceed \$25,000.

IV. ALTERNATIVES

Below are alternatives to the recommended action:

1. Review and revise the scope of work for special counsel.
2. Modify the selection process.
3. Decline to move forward at this time with this project.

V. BUSINESS IMPACT

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.

MEMORANDUM

TO: Board of Trustees

FROM: Tim Callicrate
Chair of the Board

Indra Winqest
General Manager

Josh Nelson
General Counsel

SUBJECT: Review, discuss, and provide potentially approve a scope of work to review and update IVGID policies related to Dillon's Rule

DATE: September 2, 2021

I. RECOMMENDATION

That the Board of Trustees review, discuss, and provide potentially approve a scope of work to review and update IVGID policies related to Dillon's Rule.

II. BACKGROUND

The Audit Committee requested a legal opinion responding to a community member's letter asking whether a number of IVGID expenditures and programs complied with Dillon's Rule. The General Counsel provided an opinion on these items at a series of Audit Committee meetings. Ultimately, the Audit Committee requested that the Board of Trustees consider hiring legal counsel to refine and/or create policies to ensure the District is in compliance with Dillon's Rule related to employee benefits and meals for outside contractors.

Enclosed is a draft scope of work, schedule, and preliminary budget for this work. Please note that the scope below includes a review of IVGID policies related to community programming. This work can be included or excluded in the Board's discretion but this is an important area of Dillon's Rule compliance and has been the subject of significant recent public interest. Policy 132/Resolution 1701 has not been updated since 2013 and may benefit from some revisions.

Proposed Scope of Work:

- Review all personnel and Board policies related to venue cards to employees, expense reimbursements, employee appreciation parties and related gift certificates, and employee reward programs through IVGID

“bucks” or similar programs to ensure compliance with NRS and Dillon’s Rule. (This will not include reviewing beach access for compliance with the beach deed.)

- Review Policy 132/Resolution 1701 to ensure compliance with NRS and Dillon’s Rule.
- Identify potential edits and revisions for Board consideration.
- Develop revised policies based on Board direction.

Schedule and Budget:

- By September 30th: Review employee policies and identify potential edits. (Approx. 15 hours or \$3,975)
- By September 30th: Review Policy 132/Resolution 1701 and identify potential edits. (Approx. 5 hours or \$1,325)
- By October 31st: Prepare for and conduct Board workshop on potential edits to employee policies. (Approx. 3 hours or \$795)
- By October 31st: Prepare for and conduct Board workshop on potential edits to Policy 132/Resolution 1701. (Approx. 3 hours or \$795)
- November: Prepare final draft revisions to the employee policies for Board adoption. (Approx. 5 hours or \$1,325)
- November: Prepare final draft revisions to Policy 132/Resolution 1701 for Board adoption. (Approx. 2 hours or \$530)

Total Proposed Budgets:

- Employee Policies: \$6,095
- Policy 132/Resolution 1701: \$2,650
- Both: \$8,745

III. FINANCIAL IMPACT AND BUDGET

The proposed impact would be up to \$8,745.

IV. ALTERNATIVES

Below are alternatives to the recommended action:

1. Modify the proposed scope of work to exclude or include items.
2. Decline to move forward at this time with this project.

V. BUSINESS IMPACT

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.

MEMORANDUM

TO: Board of Trustees

FROM: Indra Winqest
District General Manager

SUBJECT: Review, discuss and possibly approve the District's Strategic Plan for 2021-2023

DATE: September 2, 2021

I. RECOMMENDATION

That the Board of Trustees review, discuss, and possibly approve the District's 2021-2023 Strategic Plan.

II. BACKGROUND

At the May 26, 2021 Board of Trustees Meeting, the preliminary draft of the 2021 – 2023 Strategic Plan was included in the General Manager's Report, as an attachment, and verbally reported to the Board of Trustees by the District General Manager. At the June 9, 2021 Board of Trustees meeting, a draft version of the Strategic Plan was presented as a General Business item. There was discussion amongst the Board of Trustees such that feedback was given to Staff as it relates to the overall structure and content of the draft Strategic Plan. Staff incorporated the feedback received, added additional revisions, and reformatted to improve upon the document. The updated draft strategic plan was then presented at the July 13, 2021 Board of Trustees meeting where additional feedback was given for consideration. This feedback has been considered and additional revisions have been made which are included in this agenda item with the goal to formally approve at the September 2, 2021 Board of Trustees Meeting

III. ATTACHMENTS

1. Policy 1.1.0
2. Draft presented at the July 13, 2021 BOT Meeting
3. Proposed updated Draft Strategic Plan



Strategic Planning Policy 1.1.0

POLICY. The Incline Village General Improvement District recognizes the importance of using some form of strategic planning to provide a long-term perspective for service delivery and budgeting, thus establishing logical links between authorized spending and broad organizational goals. While there is not a single best approach to strategic planning, a sound strategic planning process will include the following key steps:

- 0.1 Initiate the Strategic Planning Process.** It is essential that the strategic plan be initiated and conducted under the authorization of the Board of Trustees and the District's General Manager. Inclusion of other stakeholders is critical, but a strategic plan that is not supported by the Board of Trustees and the District's General Manager has little chance of influencing an organization's future.
- 0.2 Prepare a Mission Statement.** The mission statement should be a broad but clear statement of purpose for the District. One of the critical uses of a mission statement is to help an organization decide what it should do and, importantly, what it should not be doing. The District's goals, strategies, programs and activities should logically cascade from the mission statement.
- 0.3 Assess Environmental Factors.** A thorough analysis of the District's internal and external environment sets the stage for an effective strategic plan. Local, regional, national, and global factors affecting the community should be analyzed and include the following:
 - 0.3.1 economic and financial factors;
 - 0.3.2 demographic trends;
 - 0.3.3 legal and/or regulatory issues;
 - 0.3.4 social and/or cultural trends;
 - 0.3.5 physical conditions;
 - 0.3.6 community development;
 - 0.3.7 intergovernmental issues;
 - 0.3.8 technological changes, and
 - 0.3.9 environmental changes.



Strategic Planning Policy 1.1.0

0.4 Identify Critical Issues. Once the Environmental Factor analysis has been completed, the next step is to use the resulting information to identify the most critical issues. Issue recognition should reflect stakeholder concerns, needs, and priorities as well as environmental factors affecting the District. The District will maintain mechanisms to identify stakeholder concerns, needs, and priorities. Among the mechanisms that might be employed to gather such information are:

- 0.4.1 public hearings;
- 0.4.2 surveys;
- 0.4.3 meetings of community leaders and citizen's interest groups;
- 0.4.4 meetings with District employees; and
- 0.4.5 workshops for the Board of Trustees and District Leadership.

0.5 Agree on a Small Number of Long Range Principles. These written principles should address the most critical issues facing the District. It may be necessary to define priorities among these principles to improve their usefulness in allocating resources.

0.6 Develop Strategies to Achieve Long Range Principles. Strategies relate to ways that the environmental factor can be influenced (internal or external) to meet long range principles. A single strategy may relate to the achievement of more than one principle. There should be a relatively small number of specific strategies developed to help choose among services and activities to be emphasized. Use of flowcharts or critical path mapping is encouraged in the design of strategies. To optimize the success of these strategies, opportunities should be provided for input from those who will be affected.

0.7 Develop Objectives. Objectives are expected to be strategic, measurable, attainable, and timely. Objectives should be expressed as quantities, or at least as verifiable statements, and ideally would include timeframes.

0.8 Create an Action Plan. The action plan describes how strategies will be implemented and includes services and activities to be



Strategic Planning Policy 1.1.0

performed, associated costs, designation of responsibilities, priority order, and time frame involved for the District to reach its long range principle or strategic objective.

- 0.9 Incorporate Performance Measures.** Performance measures provide an important link between the strategies, principles, objectives and actions stated in the plan and the services and activities funded in the budget. Performance measures provide information on whether strategies and objectives are being met.
- 0.10 Obtain Approval of the Plan.** The Board of Trustees will formally approve the Strategic Plan so it can provide the direction and policy for budget decisions.
- 0.11 Implement the Plan.** District stakeholders should work together to implement the plan. Moreover, the Strategic Plan should drive the Operating Budget, the Multi-Year Capital Plan, and long-term financial planning efforts.
- 0.12 Monitor Progress.** Progress toward meeting strategies and objectives should be monitored at regular intervals. The District will develop a systematic review process to evaluate the extent to which the Action Plan has been met.
- 0.13 Reassess the Strategic Plan.** Many external factors, such as the national or regional economy, demographic changes, statutory changes, legislation, mandates, and climate changes, may affect the environment and thus achievement of strategies. To the extent that external events have long-range impacts, strategies, objectives and actions may need to be adjusted to reflect these changes. New information about stakeholder needs or results may also require changes to the plan. It is desirable to minimize the number of adjustments to long term principles in order to maintain credibility. However, the District's Board of Trustees expects to conduct interim reviews each year, and more comprehensive strategic planning processes every five years, depending on how quickly conditions change. Performance measure results will be reviewed more frequently than the Strategic Plan.



GENERAL IMPROVEMENT DISTRICT
ONE DISTRICT ~ ONE TEAM

Strategic Plan

Fiscal Years 2021/2022 and 2022/2023

*From July
13, 2021 Mtg.*



GENERAL IMPROVEMENT DISTRICT
ONE DISTRICT ~ ONE TEAM

BOARD OF TRUSTEES



**Tim
Callicrate**
CHAIRMAN



**Matthew
Dent**
VICE
CHAIRMAN



**Michaela
Tonking**
TREASURER



**Sara
Schmitz**
SECRETARY



**Kendra
Wong**
TRUSTEE



GENERAL IMPROVEMENT DISTRICT
ONE DISTRICT ~ ONE TEAM

SENIOR MANAGEMENT TEAM

Insert photos

Indra Winquest – District General Manager
Susan Herron – District Board Clerk
Paul Navazio – Director of Finance
Erin Feore – Director of Human Resources
Brad Underwood – Director of Public Works
Darren Howard – Director of Golf & Community Services
Mike Bandelin – Diamond Peak General Manager
Mike Gove – Director of IT



**GENERAL IMPROVEMENT DISTRICT
ONE DISTRICT ~ ONE TEAM**

IVGID's Vision Statement

With passion for quality of life and our environment, Incline Village General Improvement District will enhance the reputation of our community as an exceptional place to live, work, invest, and play.

IVGID's Mission Statement

The Incline Village General Improvement District delivers exemplary recreational experiences and provides the highest level of water, sewer, and solid waste services while striving for fiscal and environmental sustainability.

IVGID's Value Statement

We are dedicated people providing quality service, for our community and environment, with integrity and teamwork.

IVGID's Mantra Statement

One District • One Team

Introduction

The Incline Village General Improvement District Strategic Plan provides direction and a planned pursuit of the mission, vision, values, long range principles and objectives and actions of the District from July 1, 2021 to June 30, 2023.

This plan reflects the District's desire to become more strategic and less tactical as the next logical step in the organization's life cycle and planning evolution.

Strategic Planning is a systematic approach to defining longer term principles and identifying the means to achieve them. It provides the District with the ability to channel resources in a direction that yields the greatest benefit to residents, constituents and guests.

The intent of this plan is to identify long range principles that align activities with the strategy of the District. It provides a framework to ensure that a balanced approach toward addressing objectives of District residents, finances, internal processes, and education and growth of employees is integrated into the plan.

The strategic planning process enables the District to plan and execute continuous improvements throughout the organization.

The benefits of the District's strategic planning are:

- Focuses the District's resources on activities that are essential to increasing customer satisfaction, lowering costs, increasing value and achieving measurable outcomes.
- Defines and describes the District's key strategies. As a result, employees and community members know where the District is headed.
- Creates a planning and implementation system that is responsive, flexible, and disciplined.
- Encourages cooperation and support among all District functions.
- Reinforces the continuous improvement culture of the District.
- Empowers managers and employees by providing them with the authority to fulfill planned activities.
- Provides for more seamless internal and external customer service.

Strategic Planning Process

Board of Trustees Policy 1.1.0 (available upon request)

Key Dates in the History of the Strategic Plan

The Board of Trustees initiated the process in February 2015. After a lengthy but productive process, the Board finalized updated Mission, Vision, Value and Mantra statements. The Board reviewed revised long range principles and objectives. On September 3, 2015 the Board reviewed the Final Draft Strategic Plan.

The 2015-2017 Strategic Plan was adopted at the September 23, 2015 Board of Trustees meeting. The 2018-2020 Strategic Plan was adopted at the May 9, 2018 Board of Trustees meeting.

The 2021-2023 Strategic Plan is in compliance with Board of Trustees Policy 1.1.0, subparagraph 0.13.

Closing Comments

This document is an outward facing document that the Board of Trustees and employees of the Incline Village General Improvement District focuses their resources.



LONG-RANGE PRINCIPLES

LONG RANGE PRINCIPLE #1 - SERVICE

The District will provide superior quality service and value to its customers through responsible stewardship of District resources and assets.

LONG RANGE PRINCIPLE #2 – RESOURCES AND ENVIRONMENT

Initiating and maintaining effective practices of environmental sustainability for a healthy environment, a strong community and a lasting legacy.

LONG RANGE PRINCIPLE #3 - FINANCE

The District will ensure fiscal responsibility and sustainability of service capacities through prudent fiscal management and maintaining effective financial policies for operating budgets, fund balances, capital improvement and debt management.

LONG RANGE PRINCIPLE #4 - WORKFORCE

Attract, maintain and retain a highly qualified, motivated and productive workforce to meet the needs of District venues:

LONG RANGE PRINCIPLE #5 – ASSETS AND INFRASTRUCTURE

The District will practice perpetual asset renewal, replacement and improvement to provide safe and superior long term utility services and recreation activities.

LONG RANGE PRINCIPLE #6 - COMMUNICATION

The District will engage, interact and educate to promote understanding of the programs, activities, services, and ongoing affairs.

LONG RANGE PRINCIPLE #7 - GOVERNANCE

The District is a local agency that delivers exemplary recreational experiences and provides the highest level of water, sewer, and solid waste services while striving for fiscal and environmental sustainability through collaboration, civic participation, and transparency to the greatest extent possible.

STRATEGIC ACTIONS

LONG RANGE PRINCIPLE #1 - SERVICE

- Provide well defined customer centric service consistent with fiscal goals and community expectations.
- Apply Performance Management to meet or exceed established venue customer service expectations.
- Utilize best practice standards for delivery of services and re-evaluate every year.
- Commit to evaluate customer loyalty/satisfaction.
- Maintain customer service training and resources for new, returning and existing employees.

LONG RANGE PRINCIPLE #2 – RESOURCES AND ENVIRONMENT

- Protect Lake Tahoe and other water sources in the Basin to remain viable sources of drinking water.
- Protect Lake Tahoe as a drinking source through programs, projects and events that eliminate trash, hazardous waste and contaminants from entering the watershed.
- Support integrated regional strategies for the planning, design, construction and implementation of water system infrastructure for fire suppression.
- Meet or exceed Federal, State, and Local requirements in the protection of our resources and environment in achieving sustainability.

LONG RANGE PRINCIPLE #3 – FINANCE

- Develop and maintain a long-term plan to sustain financial resources.
- Ensure budgets that utilize recurring revenues to cover ongoing costs and limits use of one-time funds to support one-time expenditures.
- Report results and demonstrate value to the community through regular financial reporting and related performance management metrics.
- Comply with Federal, State, and Local regulations.
- Adhere to Government Generally Accepted Accounting Principles (GAAP).

LONG RANGE PRINCIPLE #4 - WORKFORCE

- Evaluate job descriptions to frequently ensure regulatory compliance in language, for workforce needs, and related compensation for the position.
- Work closely with Staff to assess training and educational needs for existing workforce; coordinate trainings with both District Staff and outside resources to ensure essential educational needs are evaluated and addressed.
- Identify individuals for talent management opportunities to ensure continued retention and growth for management succession within the District.
- Re-evaluate, during the budget process, the optimum level of Staff and related total compensation, necessary to each department based on industry standard and levels of service.
- Create and implement a robust recruiting process to ensure the District reaches the best talent by evaluating current recruiting trends, analyzing current job market rates and reviewing competitive offers of employment.
- Comply with Federal, State, and Local regulations.
- Continue to provide a safe environment and continue to strive for low worker's compensation incidents through ongoing and targeted safety training.
- Work with Staff to improve employee engagement and culture through focused performance management goals, engagement participation and incentives.

LONG RANGE PRINCIPLE #5 – ASSETS AND INFRASTRUCTURE

- Maintain, renew, expand and enhance District infrastructure to meet the capacity needs and desires of the community for future generations.
- Maintain, procure and construct District assets to ensure safe and accessible operations for the public and the District's workforce.
- Maintain current Community Service and Public Works master plans.
- Maintain and execute a 5-Year capital improvement plan within a 20-Year horizon.
- Conduct planning and design, prior to advancing projects or procurement, to ensure new District assets meet operational requirements and enhance the customer experience.

- Maintain an asset management program leveraging technology, as appropriate by venue/division, to ensure timely and efficient asset maintenance.
- Comply with regulatory requirements and industry standards.
- Leverage technology and staff training to secure district assets digitally and physically

LONG RANGE PRINCIPLE #6 - COMMUNICATION

- Promote transparency in all aspects of District operations.
- Maintain, expand and enhance the district's communications infrastructure to meet the evolving needs and desires of the community utilizing current industry best practices.
- Provide clear, concise and timely information in multiple, publicly accessible formats.
- Ensure internal and external communication are responsive, comprehensive and inclusive such that District Staff and the Board of Trustees are presenting unified communication and messaging.

LONG RANGE PRINCIPLE #7 – GOVERNANCE

- Continue Legislative Advocacy efforts at the Federal, State and Local Government levels to support appropriations for water and wastewater infrastructure improvements that support Principle #2 and Principle #5 as well as any other related opportunities as it pertains to District operations.
- Continue the refinement of appropriate performance measurement to demonstrate quality as well as quantity
- Improve civic engagement and transparency using improved web-based tools for agenda management, financial reporting and project tracking.
- Continually review District policies to ensure compliance with changing regulations and requirements.

LONG RANGE PRINCIPLE #1 - SERVICE

Statement of Objective(s) *defined as what we are striving to accomplish*

The District will provide superior quality service and value to its customers through responsible stewardship of District resources and assets with an emphasis on the parcel owner experience

Strategies *defined as how we envision accomplishing this objective(s)*

- Provide well-defined customer service consistent with fiscal goals, and community expectations.
- Utilize best practice standards for delivery of services and re-evaluate every year.
- Commit to continuous improvement through evaluation of customer loyalty/satisfaction.
- Maintain customer service training and resources for new, returning and existing employees.

Long-term Initiatives *defined as what we see as needing to be done in the future*

1. Enhance and evaluate metrics through key performance indicators for each venue.
2. Enhance specific performance indicators to evaluate customer loyalty/satisfaction.
3. Work with the community to establish a sustainable long term financial and service model for all the District's venues; starting with golf (2021-22).
4. Analyze the net effect of established customer service on the District operations and apply changes as needed.
5. Utilize venue and/or community surveys to evaluate and measure customer service as it relates to existing service demands.
6. Execute the short and long term strategy with the Community Services master plans as the roadmap for the future.

7. Improve the comprehensive Standard Operating Procedures manuals for each venue and update as appropriate.

Budgeted Initiatives for 2021 - 2023 – defined as the measurable 2021-2023 work plan efforts that are supporting this objective(s) and related strategies

- A. Assess how services are impacted by recruitment challenges based on the current hiring environment and develop strategies to limit these impacts when experienced.
- B. Each venue has time budgeted for new, returning and existing employees to participate in Customer Service Training to include Venue specific orientations/trainings.
- C. Understand, communicate and demonstrate service baselines at each venue. The emphasis is on providing the best, most consistent customer experiences.
- D. The District is continuing the Customer Care program for all of Community Services, which includes empowerment for any actions that generate a hard cost to remedy a customer satisfaction issue.
- E. Seek venue specific community feedback to determine customer satisfaction and implement into overall business models.
- F. Utilize employee surveys to further define areas of improvement as well as celebrate successes.

LONG RANGE PRINCIPLE #2 – RESOURCES AND ENVIRONMENT

Statement of Objective(s) *defined as what we are striving to accomplish*

Initiating and maintaining effective practices of environmental sustainability for a healthy environment, a strong community and a lasting legacy.

Strategies *defined as how we envision accomplishing this objective(s)*

- Protect Lake Tahoe and other water sources in the Basin to remain viable sources of drinking water.
- Support integrated regional strategies for the planning, design, construction and implementation of water system infrastructure for fire suppression.
- Meet or exceed Federal, State, and Local requirements in the protection of our resources and environment in achieving sustainability.

Long-term Initiatives *defined as what we see as needing to be done in the future*

1. Execute the goals of the Tahoe Water Suppliers Association to meet Federal, State and Local applicable requirements for filtration avoidance and other pertinent requirements; promulgated by the Surface Water Treatment Rule and its amendments.
2. Promote responsible use of water as a valuable natural resource. Protect Lake Tahoe as a drinking source through programs, projects and events that eliminate trash, hazardous waste and contaminants from entering the watershed.
3. Continue Legislative Advocacy efforts at the Federal, State and Local Government level to support appropriations for water and wastewater infrastructure improvements that support Principle #2 and Principle #5.
4. Participate in the Lake Tahoe Community Fire Prevention Partnership in working with Regional Fire Districts to improve fire suppression in the Tahoe Basin.

5. Enter into available Grant Agreements with the South Tahoe Public Utility District as a member of the Lake Tahoe Community Fire Prevention Partnership.
6. Complete an annual Sustainability Report for Departments in order to responsibly manage resources under IVGID's care, protect public health and balance its social and environmental duties to the citizens and community.
7. Maximize energy efficiency by making improvements at District facilities.

Budgeted Initiatives for 2021 - 2023 *defined as the measurable 2021-2023 work plan efforts that are supporting this objective(s) and related strategies*

- A. Operate a residential drop-off household hazardous waste and electronic waste facility or events to reduce the amount of hazardous materials entering the waste stream and help to prevent illegal dumping in order to protect the Lake Tahoe watershed.
- B. Continue membership and leadership in the Tahoe Water Suppliers Association and provide IVGID staff support as the Association Director to execute the goals of the Association.
- C. Work with local agencies on programs to reduce trash and micro-plastics from entering the Lake Tahoe watershed.
- D. In partnership with the North Lake Tahoe Fire Protection District, protect District lands and the Lake Tahoe Basin watershed by performing defensible space best management practices.
- E. Prioritizing tree maintenance and vegetation management on District-owned properties.
- F. Provide bear shed rebates for new homeowners in the service area to contain putrescible waste in a safe manner.
- G. Provide water efficiency rebates to customers for the installation of a high efficiency toilet or washing machine.

LONG RANGE PRINCIPLE #3 - FINANCE

Statement of Objective(s) *defined as what we are striving to accomplish*

The District will ensure fiscal responsibility and sustainability of service capacities through prudent fiscal management and maintaining effective financial policies for operating budgets, fund balances, capital improvement and debt management.

Strategies *defined as how we envision accomplishing this objective(s)*

- Develop and maintain a long-term plan to sustain financial resources.
- Ensure budgets that utilize recurring revenues to cover ongoing costs and limits use of one-time funds to support one-time expenditures.
- Report results and demonstrate value to the community through regular financial reporting and related performance management metrics.
- Comply with applicable Federal, State and Local Governmental regulations.
- Adhere to Government Generally Accepted Accounting Principles (GAAP).

Long-term Initiatives *defined as what we see as needing to be done in the future*

1. Prepare Annual Budgets that demonstrate the balance of allocated resources, with service expectations, and the capability to deliver.
2. Prepare a five-year forecast for each major fund as a part of the annual budget development process.
3. Utilize annual and interim financial reports to build understanding of the different aspects between operations, capital improvement and debt service, and promote fiscal transparency.
4. Work with Board of Trustees to identify Board Policies related to the Finances of the District that need updating, elimination, or creation. Consider updating Board Policies and Practices relating to Budget and Fiscal Management

5. Continue the refinement of appropriate performance measurement to demonstrate quality as well as quantity.

Budgeted Initiatives for 2021 - 2023 *defined as the measurable 2021-2023 work plan efforts that are supporting this objective(s) and related strategies*

- A. Transition financial reporting for Community Services and Beach activities from Special Revenue to Enterprise fund accounting for the 2021/2022 fiscal year in order to better support full-cost recovery objectives for operating, capital and debt expenditures.
- B. Work with Board of Trustees to implement District-wide pricing policy, to ensure desired cost recovery and policy-driven differential pricing for residents, guest and non-residents.
- C. Review the allocation of Facility Fees assessed on parcels within the District, including components for operations, capital expenditure and debt service.
- D. Prepare the required Annual Financial Report, with an independent auditor opinion, to provide financial position and results of operations to a variety of users and information needs.
- E. Comply with Nevada Revised Statutes and Administrative Code requirement for the budget process, indebtedness reporting, and the annual audit.
- F. Complete comprehensive review of District's internal control policies and procedures to ensure sound fiscal management, integrity of financial information and safeguard the District's assets and financial resources.
- G. Actively manage financial planning and reporting to inform decision making to sustain a strong financial base for operations, while maintaining care and condition of capital assets and existing infrastructure.
- H. Implement transition to new Tyler/Munis enterprise financial system to enhance management and oversight of District finances, improve workflow process and strengthen internal controls.

LONG RANGE PRINCIPLE #4 - WORKFORCE

Statement of Objective(s) *defined as what we are striving to accomplish*

Attract, maintain and retain a highly qualified, motivated and productive workforce to meet the needs of District venues:

Strategies *defined as how we envision accomplishing this objective(s)*

- Evaluate job descriptions to frequently ensure regulatory compliance in language, for workforce needs, and related compensation for the position.
- Partnering closely with department managers and individuals, assess training and educational needs for existing workforce; coordinate trainings with both in-house staff and outside resources to ensure essential educational needs are evaluated and addressed.
- Identify individuals for talent management opportunities to ensure continued retention and growth for management succession within the District.
- Re-evaluate, during the budget process, the optimum level of Staff and related total compensation, necessary to each department based on industry standard and levels of service.
- Create and implement a robust recruiting process to ensure the District reaches the best talent by evaluating current recruiting trends, analyzing current job market rates and reviewing competitive offers of employment.
- Comply with applicable Federal, State and Local governmental regulations.
- Continue to provide a safe environment and continue to strive for low worker's compensation incidents through ongoing and targeted safety training.
- Work with Staff to improve employee engagement and culture through focused performance management goals, engagement participation and incentives.

Long-term Initiatives *defined as what we see as needing to be done in the future*

1. Following review and research on like-industry wages, benefits and privileges, evaluate current positions to ensure District is competitive with its total compensation and benchmarks to support recruitment and

retention needs.

2. Begin implementation of new Human Resources system for better efficiencies and automation.
3. Work closely with the IT Department to develop online training opportunities for new managers and employees, including cyber-security.
4. Work with Board of Trustees to identify Board Policies related to the District Workforce and Human Resources that need updating, elimination, or creation.
5. Educate Management Staff through targeted trainings on how to manage, engage, educate and foster better communication with employees. Ensure emphasis is on employee retention.
6. Continue encompassing employee engagement participation for measured performance measurement of goals and objectives. Set increases that correlate directly with goals and engagement measures.
7. Analyze current recruiting trends to meet the challenges of hiring top candidates for open positions. Closely partner with Management Staff to ensure specific hiring needs are unambiguous and attainable. Utilize interactive system to ensure viable candidates remain engaged throughout the recruitment process.

Budgeted Initiatives for 2021 - 2023 *defined as the measurable 2021-2023 work plan efforts that are supporting this objective(s) and related strategies*

- A. Review budget, number of positions to salary and benefits and conduct surveys to ensure we are making every effort to attract, maintain and retain qualified employees across the District and all statuses. Continually evaluate current market trends to ensure District wages and benefits remain competitive and attractive to top talent candidates and current Staff.
- B. Assess the ongoing impacts of staffing, hourly wages, increased minimum wage and retention of year round employment changes at current recreational exemption status. Review analysis and recommend changes as needed.

- C. Conduct quarterly management educational trainings for both new and current management and supervisory staff with an emphasis on communication, motivation, productivity and team building to improve job satisfaction, morale and employee recruitment / retention and succession planning for both employees and managers.
- D. Continue to monitor updates and changes from Federal, State and Local authorities, as applicable, regarding new regulations related emergency directives, to ensure prompt communication with IVGID management. Review emergency response plans with each department to ensure future workforce readiness.
- E. Partnering with the Recreation Center Management Team, develop Health and Wellness strategies for District employees; monitor programs to evaluate an overall reduction in absenteeism related to illness, reduced insurance usage, improved employee morale, and increased employee engagement.

LONG RANGE PRINCIPLE #5 – ASSETS AND INFRASTRUCTURE

Statement of Objective(s) *defined as what we are striving to accomplish*

The District will practice perpetual asset renewal, replacement and improvement to provide safe and superior long term utility services and recreation activities.

Strategies *defined as how we envision accomplishing this objective(s)*

- Maintain, renew, expand and enhance District infrastructure to meet the capacity needs and desires of the community for future generations.
- Maintain, procure and construct District assets to ensure safe and accessible operations for the public and the District's workforce.
- Maintain current Community Service and Public Works master plans.
- Maintain and execute a 5-Year and 20-Year capital improvement plan.
- Conduct planning and design, prior to advancing projects or procurement, to ensure new District assets meet operational requirements and enhance the customer experience.
- Maintain an asset management program leveraging technology, as appropriate by venue/division, to ensure timely and efficient asset maintenance.
- Comply with regulatory requirements and industry standards.
- Leverage technology and staff training to secure district assets digitally and physically.

Long-term Initiatives *defined as what we see as needing to be done in the future*

1. Complete a community wide review of the Diamond Peak Master Plan to ensure that it meets the needs of the current community environment as it has been five years since the last review.
2. Continue to implement top priorities identified in the Community Service Master Plan priorities as defined by the Board of Trustees.
3. Focus on strengthening overall project & contract management.

4. Identify Board Policies related to District Asset Management and present to the Board those that need updating, elimination, or creation.
5. Effluent Export Project, Phase II, continue to pursue project partnerships and Federal, State and Local funding to reduce District costs.
6. Ensure digital safeguards are in place for District technology infrastructure.

Budgeted Initiatives for 2021 - 2023 *defined as the measurable 2021-2023 work plan efforts that are supporting this objective(s) and related strategies*

- A. Use findings from Utility Management and Asset Assessment Study and analyze recommendations to bring forward changes that provide benefit to the District.
- B. Complete Utility Rate Study to ensure the Utility Fund meets budgetary and fund balance requirements.
- C. Work with CMAR and design consultants to finalize design and begin construction of the Effluent Pond Lining and Pipeline Projects.
- D. Allocate capital expenditures in Community Services to maintain services, while planning for some facility replacement for facilities that are crossing 20 years in service.
- E. After the community wide input is received, prepare an outline of the next steps to move the Diamond Peak Master Plan forward if desired.
- F. Create and implement a District Project Manager position in the engineering division
- G. Advance the planning of the Community Dog Park.
- H. Complete the design and begin construction of the Mountain Golf Course Path Project.
- I. Complete evaluation of options and provide recommended timeline and methodology to reconstruct Ski Way.

- J. Develop Comprehensive Capital Plan for IVGID Beach Properties aligning with the Beaches Master Plan.
- K. Execute the Burnt Cedar Swimming Pool Reconstruction Project.
- L. Implement Phase 1 of district-wide security camera project.

LONG RANGE PRINCIPLE #6 - COMMUNICATION

Statement of Objective(s) *defined as what we are striving to accomplish*

The District will engage, interact and educate to promote understanding of the programs, activities, services, and ongoing affairs.

Strategies *defined as how we envision accomplishing this objective(s)*

- Promote transparency in all areas including finance, operations and public meetings.
- Maintain, expand and enhance the district's communications infrastructure to meet the evolving needs and desires of the community utilizing current industry best practices.
- Provide clear, concise and timely information in multiple, publicly accessible formats.
- Ensure internal and external communication are responsive, comprehensive and inclusive.
- Ensure the District Staff and the Board of Trustees are focused on unified communication and messaging.

Long-term Initiatives *defined as what we see as needing to be done in the future*

1. Continue to implement best practices for sharing information with the public including but not limited to the Districts websites, IVGID quarterly magazine, email communication, public outreach, special events, social media platforms and/or paid advertising platforms as appropriate.
2. Maintain online systems for customers to access their accounts and complete online transactions.
3. Participate in community and basin outreach events and publications to spread messaging on District programs.
4. Work diligently to improve all external partner and collaborative relationships to maximize available resources.

5. Proactively seek stakeholder input on important matters affecting the community as determined by the Senior Management and/or the Board of Trustees.
6. Involvement / presence with Community Meet and Greets to include key venues and the Board of Trustees.

Budgeted Initiatives for 2021 - 2023 *defined as the measurable 2021-2023 work plan efforts that are supporting this objective(s) and related strategies*

- A. Host Board of Trustees Community Workshops related to key community matters as scheduled by the Board of Trustees.
- B. Provide informative and timely releases of information to our employees, community, and the general public.
- C. Ensure that the District is well represented in external agency discussions and collaborative opportunities where there may be an impact to either the District and/or our community.
- D. Update and enhance the District's public facing websites to bring in line with current industry best practices for data security, responsive design, and user experience.
- E. Continue to administer venue and community wide surveys related to key matters and initiatives.

LONG RANGE PRINCIPLE #7 - GOVERNANCE

Statement of Objective(s) *defined as what we are striving to accomplish*

Promote a local government and organization that is committed to meeting the needs of the community, encourages collaboration, civic participation, and promotes accountability and transparency in the effective delivery of services.

Strategies *defined as how we envision accomplishing this objective(s)*

- Continue Legislative Advocacy efforts at the Federal, State, and Local levels to support appropriations for water and wastewater infrastructure improvements that support Principle #2 and Principle #5
- Maintain current and quality Board/District Policies in order to achieve maximum efficiency, transparency, and clear direction to district staff
- Continue the refinement of appropriate performance measurement to demonstrate quality as well as quantity
- Partnering closely with department managers and individuals, assess training and educational needs for existing workforce; coordinate trainings with both in-house staff and outside resources to ensure essential educational needs are evaluated and addressed
- Improve and enhance civic engagement and transparency using improved web-based tools for agenda management, financial reporting and project tracking.

Long-term Initiatives *defined as what we see as needing to be done in the future*

1. Work with Board of Trustees to identify and prioritize Board Policies related to the Finances of the District that need updating, elimination, or creation. Consider updating Board Policies and Practices relating to Budget and Fiscal Management.
2. Identify and prioritize Board Policies related to District Asset Management and present to the Board those that need updating, elimination, or creation.
3. Continue to create inter-agency partnerships and foster strong collaborative relationships with Local and State agencies.

Budgeted Initiatives for 2021 - 2023 *defined as the measurable 2021-2023 work plan efforts that are supporting this objective(s) and related strategies*

1. Implement CivicPlus online agenda management and archive system.
2. Continue to utilize outside resources to assist the District in policy review and potential updates and revisions.
3. Continue to work with the General Manager's Ordinance 7 Committee and the Board of Trustees to make formal revisions.
4. Continue to work with the District's Federal Lobbyist, Nevada League of Cities, and Local Government Agencies to procure potential federal infrastructure money including the United States Army Corps of Engineers.

IMPLEMENTATION

The annual budget document serves as the Action Plan for implementing the 2021-2023 objectives.

Budget Initiatives

The budget initiatives for the Fiscal Years 2021-2023 are described in conjunction with each Long Range Principle.

Review Process

Implementation of the Strategic Plan requires a process of review, improvement, refinement, and measurement and following is the criteria for successful implementation of the Strategic Plan. It represents the commitment and discipline required to institutionalize the process.

- All employees and Board of Trustees members should receive a copy of the plan or electronic access to the Plan and should become a regular part of Staff and Board of Trustees orientation.
- The Strategic Plan becomes the guidepost for the District. When decisions or responses to the community are needed, the Strategic Plan serves as a strong reference point for decision-making and whether or not new issues or responses are of higher importance than what's been established as existing direction.
- Post a summary or shortened version of the Strategic Plan on the District's website and track results on the website as well. It may also be helpful to print a short summary of the Strategic Plan's progress to distribute to interested partners and community members.
- The District's General Manager and the Senior Management Team will have the responsibility of being the Strategic Plan Managers to ensure successful implementation.
- Regular reporting of the Strategic Plan's progress should occur. Break the Strategic Plan into separate fiscal years and report, one year at a time, as an ongoing annual work plan. Each initiative for the year should include a list of actions that support the goal's completion. Actions are developed prior to each year.

- Provide an update on the Plan's implementation and results on an annual basis.
- Conduct Staff meetings on a quarterly or semi-annual basis to review the Strategic Plan's progress and results and report on progress to the Board of Trustees.
- The performance appraisal process should reflect the completion of the Strategic Plan initiatives as an evaluation criterion. Also, performance criteria should be aligned with values of the District such as innovation, teamwork, and accountability.
- Track the measurement system on a quarterly basis. Some of the measures will be calculated annually. Provide an annual narrative about the results. Review the measures on an annual basis and make adjustments as necessary to ensure the measures continuously add value to decision making. Include a combination of lagging and leading indicators. (Lagging indicators or outcomes measure past performance; leading indicators or performance drivers assist in establishing future performance.)
- After completion of the first year of the Strategic Plan and baseline results are quantified, targets should be initiated for the measurement system.
- After each year of the Strategic Plan, the Staff should review the Strategic Plan's process and re-tool any parts of the process that need improvement. This review should include a "just-in-time review" of the following year's Initiatives to determine if priorities have changed. The review of Initiatives should tie into the budget process.
- Staff meetings should regularly include discussion of strategy. Create a visualization process to emphasize the Strategic Plan's importance and the District's commitment to execution. For example, posting charts on office walls of each year's initiatives, with a check-off column, can provide a visual tracking of initiative completion.

REASSESSMENT

Many external factors, such as the local and national economy, demographic changes, statutory and legislative changes, and climate may affect the environment and thus achievement of strategies. To the extent that external events have long-range impacts, strategies, objectives and actions may need to be adjusted to reflect these changes.

New information about residents, constituents, and guests needs or results may also require changes to the Strategic Plan. It is desirable to minimize the number of adjustments to long range principles in order to maintain credibility.

However, the District's Board of Trustees expects to conduct interim reviews each year, and more comprehensive strategic planning processes every five years, depending on how quickly conditions change. Performance measure results will be reviewed more frequently than the Strategic Plan.



**GENERAL IMPROVEMENT DISTRICT
ONE DISTRICT ~ ONE TEAM**

Incline Village General Improvement District

893 Southwood Boulevard

Incline Village, Nevada 89451

Telephone Number: 775-832-1100

Questions: info@ivgid.org



GENERAL IMPROVEMENT DISTRICT
ONE DISTRICT ~ ONE TEAM

Strategic Plan

Fiscal Years 2021/2022 and 2022/2023



**GENERAL IMPROVEMENT DISTRICT
ONE DISTRICT ~ ONE TEAM**

BOARD OF TRUSTEES



**Tim
Callicrate**
CHAIRMAN



**Matthew
Dent**
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CHAIRMAN



**Michaela
Tonking**
TREASURER



**Sara
Schmitz**
SECRETARY



**Kendra
Wong**
TRUSTEE



GENERAL IMPROVEMENT DISTRICT
ONE DISTRICT ~ ONE TEAM

SENIOR MANAGEMENT TEAM

Indra Winquest – District General Manager
Susan Herron – District Board Clerk
Paul Navazio – Director of Finance
Erin Feore – Director of Human Resources
Brad Underwood – Director of Public Works
Darren Howard – Director of Golf & Community Services
Mike Bandelin – Diamond Peak General Manager
Mike Gove – Director of Information Technology



**GENERAL IMPROVEMENT DISTRICT
ONE DISTRICT ~ ONE TEAM**

IVGID's Vision Statement

With passion for quality of life and our environment, Incline Village General Improvement District will enhance the reputation of our community as an exceptional place to live, work, invest, and play.

IVGID's Mission Statement

The Incline Village General Improvement District delivers exemplary recreational experiences and provides the highest level of water, sewer, and solid waste services while striving for fiscal and environmental sustainability.

IVGID's Value Statement

We are dedicated people providing quality service, for our community and environment, with integrity and teamwork.

IVGID's Mantra Statement

One District • One Team

Introduction

The Incline Village General Improvement District Strategic Plan provides direction and a planned pursuit of the mission, vision, values, long range principles and objectives and actions of the District from July 1, 2021 to June 30, 2023.

This plan reflects the District's desire to become more strategic and less tactical as the next logical step in the organization's life cycle and planning evolution.

Strategic Planning is a systematic approach to defining longer term principles and identifying the means to achieve them. It provides the District with the ability to channel resources in a direction that yields the greatest benefit to residents, constituents and guests.

The intent of this plan is to identify long range principles that align activities with the strategy of the District. It provides a framework to ensure that a balanced approach toward addressing objectives of District residents, finances, internal processes, and education and growth of employees is integrated into the plan.

The strategic planning process enables the District to plan and execute continuous improvements throughout the organization.

The benefits of the District's strategic planning are:

- Focuses the District's resources on activities that are essential to increasing customer satisfaction, lowering costs, increasing value and achieving measurable outcomes.
- Defines and describes the District's key strategies. As a result, employees and residents, constituents and guests know where the District is headed.
- Creates a planning and implementation system that is responsive, flexible, and disciplined.
- Encourages cooperation and support among all District functions.
- Reinforces the continuous improvement culture of the District.
- Empowers ~~managers~~ and employees by providing them with the authority to fulfill planned activities.
- Provides for more seamless internal and external customer service.

Strategic Planning Process

Board of Trustees Policy 1.1.0 (available upon request)

Key Dates in the History of the Strategic Plan

The Board of Trustees initiated the process in February 2015. After a lengthy but productive process, the Board finalized updated Mission, Vision, Value and Mantra statements. The Board reviewed revised long range principles and objectives. On September 3, 2015 the Board reviewed the Final Draft Strategic Plan.

The 2015-2017 Strategic Plan was adopted at the September 23, 2015 Board of Trustees meeting. The 2018-2020 Strategic Plan was adopted at the May 9, 2018 Board of Trustees meeting.

The 2021-2023 Strategic Plan is in compliance with Board of Trustees Policy 1.1.0, subparagraph 0.13.

Closing Comments

The District's Strategic Plan is an outward facing document that the Board of Trustees and employees of the Incline Village General Improvement District use to focus their resources.



LONG-RANGE PRINCIPLES

LONG RANGE PRINCIPLE #1 - SERVICE

The District will provide superior quality service and value to its customers through responsible stewardship of District resources and assets.

LONG RANGE PRINCIPLE #2 – RESOURCES AND ENVIRONMENT

Initiating and maintaining effective practices of environmental sustainability for a healthy environment, a strong community and a lasting legacy.

LONG RANGE PRINCIPLE #3 - FINANCE

The District will ensure fiscal responsibility and sustainability of service capacities through prudent fiscal management and maintaining effective financial policies for operating budgets, fund balances, capital improvement and debt management.

LONG RANGE PRINCIPLE #4 - WORKFORCE

Attract, maintain and retain a highly qualified, motivated and productive workforce to meet the needs of District venues.

LONG RANGE PRINCIPLE #5 – ASSETS AND INFRASTRUCTURE

The District will practice perpetual asset renewal, replacement and improvement to provide safe and superior long term utility services and recreation activities.

LONG RANGE PRINCIPLE #6 - COMMUNICATION

The District will engage, interact and educate to promote understanding of the programs, activities, services, and ongoing affairs.

LONG RANGE PRINCIPLE #7 - GOVERNANCE

The District is a local agency that delivers exemplary recreational experiences and provides the highest level of water, sewer, and solid waste services while striving for fiscal and environmental sustainability through collaboration, civic participation, and transparency to the greatest extent possible.

STRATEGIC ACTIONS

LONG RANGE PRINCIPLE #1 - SERVICE

- Provide well defined customer centric service consistent with fiscal goals and community expectations.
- Apply Performance Management to meet or exceed established venue customer service expectations.
- Utilize best practice standards for delivery of services and re-evaluate every year.
- Commit to evaluate customer loyalty/satisfaction.
- Maintain customer service training and resources for new, returning and existing employees.

LONG RANGE PRINCIPLE #2 – RESOURCES AND ENVIRONMENT

- Protect Lake Tahoe and other water sources in the Basin to remain viable sources of drinking water.
- Protect Lake Tahoe as a drinking source through programs, projects and events that eliminate trash, hazardous waste and contaminants from entering the watershed.
- Support integrated regional strategies for the planning, design, construction and implementation of water system infrastructure for fire suppression.
- Meet or exceed Federal, State, and Local requirements in the protection of our resources and environment in achieving sustainability.

LONG RANGE PRINCIPLE #3 – FINANCE

- Develop and maintain a long-term plan to sustain financial resources.
- Ensure budgets that utilize recurring revenues to cover ongoing costs and limits use of one-time funds to support one-time expenditures.
- Report results and demonstrate value to the residents, constituents and guests through regular financial reporting and related performance management metrics.
- Regularly review and assess the effectiveness of internal controls supporting compliance, financial reporting, and stewardship of District assets.
- Comply with Federal, State, and Local regulations.

- Adhere to Government Generally Accepted Accounting Principles (GAAP).

LONG RANGE PRINCIPLE #4 - WORKFORCE

- Evaluate job descriptions to frequently ensure regulatory compliance in language, for workforce needs, and related compensation for the position.
- Work closely with employees to assess training and educational needs for existing workforce; coordinate trainings with both District employees and outside resources to ensure essential educational needs are evaluated and addressed.
- Identify individuals for talent management opportunities to ensure continued retention and growth for management succession within the District.
- Re-evaluate, during the budget process, the optimum level of employees and related total compensation, necessary to each department based on industry standard and levels of service.
- Create and implement a robust recruiting process to ensure the District reaches the best talent by evaluating current recruiting trends, analyzing current job market rates and reviewing competitive offers of employment.
- Comply with Federal, State, and Local regulations.
- Continue to provide a safe environment and continue to strive for low worker's compensation incidents through ongoing and targeted safety training.
- Work with employees to improve employee engagement and culture through focused performance management goals, engagement participation and incentives.

LONG RANGE PRINCIPLE #5 – ASSETS AND INFRASTRUCTURE

- Maintain, renew, expand and enhance District infrastructure to meet the capacity needs and desires of the residents, constituents and guests for future generations.
- Maintain, procure and construct District assets to ensure safe and accessible operations for the public and the District's workforce.
- Maintain current Community Service and Public Works master plans.
- Maintain and execute a 5-Year capital improvement plan within a 20-Year horizon.

- Conduct planning and design, prior to advancing projects or procurement, to ensure new District assets meet operational requirements and enhance the residents, constituents and guests experience.
- Maintain an asset management program leveraging technology, as appropriate by venue/division, to ensure timely and efficient asset maintenance.
- Comply with regulatory requirements and industry standards.
- Leverage technology and employee training to secure District assets digitally and physically

LONG RANGE PRINCIPLE #6 - COMMUNICATION

- Promote transparency in all aspects of District operations.
- Maintain, expand and enhance the district's communications infrastructure to meet the evolving needs and desires of the community utilizing current industry best practices.
- Provide clear, concise and timely information in multiple, publicly accessible formats.
- Ensure internal and external communication are responsive, comprehensive and inclusive such that District employees and the Board of Trustees are presenting unified communication and messaging.

LONG RANGE PRINCIPLE #7 – GOVERNANCE

- Continue Legislative Advocacy efforts at the Federal, State and Local Government levels to support appropriations for water and wastewater infrastructure improvements that support Principle #2 and Principle #5 as well as any other related opportunities as it pertains to District operations.
- Continue the refinement of appropriate performance measurement to demonstrate quality as well as quantity
- Improve civic engagement and transparency using improved web-based tools for agenda management, financial reporting and project tracking.
- Continually review District policies to ensure compliance with changing regulations and requirements.

LONG RANGE PRINCIPLE #1 - SERVICE

Statement of Objective(s) *defined as what we are striving to accomplish*

The District will provide superior quality service and value to its residents, constituents and guests through responsible stewardship of District resources and assets with an emphasis on the residents and constituents experience

Strategies *defined as how we envision accomplishing this objective(s)*

- Provide well-defined customer service consistent with fiscal goals, and community expectations.
- Utilize best practice standards for delivery of services and re-evaluate every year.
- Commit to continuous improvement through evaluation of customer loyalty/satisfaction.
- Maintain customer service training and resources for new, returning and existing employees.

Long-term Initiatives *defined as what we see as needing to be done in the future*

1. Enhance and evaluate metrics through key performance indicators for each venue.
2. Enhance specific performance indicators to evaluate customer loyalty/satisfaction.
3. Work with the residents and constituents to establish a sustainable long term financial and service model for all the District's venues; starting with golf (2021-22).
4. Analyze the net effect of established customer service on the District operations and apply changes as needed.
5. Utilize venue and/or community surveys to evaluate and measure customer service as it relates to existing service demands.
6. Execute the short and long term strategy with the Community Services master plans as the roadmap for the future.

7. Improve the comprehensive Standard Operating Procedures manuals for each venue and update as appropriate.

Budgeted Initiatives for 2021 - 2023 – *defined as the measurable 2021-2023 work plan efforts that are supporting this objective(s) and related strategies*

- A. Assess how services are impacted by recruitment challenges based on the current hiring environment and develop strategies to limit these impacts when experienced.
- B. Each venue has time budgeted for new, returning and existing employees to participate in Customer Service Training to include Venue specific orientations/trainings.
- C. Understand, communicate and demonstrate service baselines at each venue. The emphasis is on providing the best, most consistent customer experiences.
- D. The District is continuing the Customer Care program for all of Community Services, which includes empowerment for any actions that generate a hard cost to remedy a resident, constituent and guest satisfaction issue.
- E. Seek venue specific community feedback to determine customer satisfaction and implement into overall business models.
- F. Utilize employee surveys to further define areas of improvement as well as celebrate successes.

LONG RANGE PRINCIPLE #2 – RESOURCES AND ENVIRONMENT

Statement of Objective(s) *defined as what we are striving to accomplish*

Initiating and maintaining effective practices of environmental sustainability for a healthy environment, a strong community and a lasting legacy.

Strategies *defined as how we envision accomplishing this objective(s)*

- Protect Lake Tahoe and other water sources in the Basin to remain viable sources of drinking water.
- Support integrated regional strategies for the planning, design, construction and implementation of water system infrastructure for fire suppression.
- Meet or exceed Federal, State, and Local requirements in the protection of our resources and environment in achieving sustainability.

Long-term Initiatives *defined as what we see as needing to be done in the future*

1. Execute the goals of the Tahoe Water Suppliers Association to meet Federal, State and Local applicable requirements for filtration avoidance and other pertinent requirements; promulgated by the Surface Water Treatment Rule and its amendments.
2. Promote responsible use of water as a valuable natural resource. Protect Lake Tahoe as a drinking source through programs, projects and events that eliminate trash, hazardous waste and contaminants from entering the watershed.
3. Continue Legislative Advocacy efforts at the Federal, State and Local Government level to support appropriations for water and wastewater infrastructure improvements that support Principle #2 and Principle #5.
4. Participate in the Lake Tahoe Community Fire Prevention Partnership in working with Regional Fire Districts to improve fire suppression in the Tahoe Basin.

5. Enter into available Grant Agreements with the South Tahoe Public Utility District as a member of the Lake Tahoe Community Fire Prevention Partnership.
6. Complete an annual Sustainability Report for Departments in order to responsibly manage resources under IVGID's care, protect public health and balance its social and environmental duties to the citizens and community.
7. Maximize energy efficiency by making improvements at District facilities.

Budgeted Initiatives for 2021 - 2023 *defined as the measurable 2021-2023 work plan efforts that are supporting this objective(s) and related strategies*

- A. Operate a residential drop-off household hazardous waste and electronic waste facility or events to reduce the amount of hazardous materials entering the waste stream and help to prevent illegal dumping in order to protect the Lake Tahoe watershed.
- B. Continue membership and leadership in the Tahoe Water Suppliers Association and provide IVGID employee support as the Association Director to execute the goals of the Association.
- C. Work with local agencies on programs to reduce trash and micro-plastics from entering the Lake Tahoe watershed.
- D. In partnership with the North Lake Tahoe Fire Protection District, protect District lands and the Lake Tahoe Basin watershed by performing defensible space best management practices.
- E. Prioritizing tree maintenance and vegetation management on District-owned properties.
- F. Provide bear shed rebates for new residents and constituents in the service area to contain putrescible waste in a safe manner.
- G. Provide water efficiency rebates to residents and constituents for the installation of a high efficiency toilet or washing machine.

LONG RANGE PRINCIPLE #3 - FINANCE

Statement of Objective(s) *defined as what we are striving to accomplish*

The District will ensure fiscal responsibility and sustainability of service capacities through prudent fiscal management and maintaining effective financial policies for operating budgets, fund balances, capital improvement and debt management.

Strategies *defined as how we envision accomplishing this objective(s)*

- Develop and maintain a long-term plan to sustain financial resources.
- Ensure budgets that utilize recurring revenues to cover ongoing costs and limits use of one-time funds to support one-time expenditures.
- Report results and demonstrate value to the community through regular financial reporting and related performance management metrics.
- Regularly review and assess the effectiveness of internal controls supporting compliance, financial reporting, and stewardship of District assets.
- Comply with applicable Federal, State and Local regulations.
- Adhere to Government Generally Accepted Accounting Principles (GAAP).

Long-term Initiatives *defined as what we see as needing to be done in the future*

1. Prepare Annual Budgets that demonstrate the balance of allocated resources, with service expectations, and the capability to deliver.
2. Prepare a five-year forecast for each major fund as a part of the annual budget development process.
3. Utilize annual and interim financial reports to build understanding of the different aspects between operations, capital improvement and debt service, and promote fiscal transparency.
4. Work with Board of Trustees to identify Board Policies related to the Finances of the District that need updating, elimination, or creation. Consider updating Board Policies and Practices relating to Budget and Fiscal Management

5. Continue the refinement of appropriate performance measurement to demonstrate quality as well as quantity.

Budgeted Initiatives for 2021 - 2023 *defined as the measurable 2021-2023 work plan efforts that are supporting this objective(s) and related strategies*

- A. Transition financial reporting for Community Services and Beach activities from Special Revenue to Enterprise fund accounting for the 2021/2022 Fiscal Year in order to better support full-cost recovery objectives for operating, capital and debt expenditures.
- B. Work with Board of Trustees to implement District-wide pricing policy, to ensure desired cost recovery and policy-driven differential pricing for residents, constituents and guests.
- C. Review the allocation of Facility Fees assessed on parcels within the District, including components for operations, capital expenditure and debt service.
- D. Prepare the required Annual Financial Report, with an independent auditor opinion, to provide financial position and results of operations to a variety of users and information needs.
- E. Comply with Nevada Revised Statutes and Administrative Code requirement for the budget process, indebtedness reporting, and the annual audit.
- F. Complete comprehensive review of District's internal control policies and procedures to ensure sound fiscal management, integrity of financial information and safeguard the District's assets and financial resources.
- G. Actively manage financial planning and reporting to inform decision making to sustain a strong financial base for operations, while maintaining care and condition of capital assets and existing infrastructure.
- H. Implement transition to new Tyler/Munis enterprise financial system to enhance management and oversight of District finances, improve workflow process and strengthen internal controls.

LONG RANGE PRINCIPLE #4 - WORKFORCE

Statement of Objective(s) *defined as what we are striving to accomplish*

Attract, maintain and retain highly qualified, motivated and productive employees, both full-time and seasonal, to meet the needs of District venues:

Strategies *defined as how we envision accomplishing this objective(s)*

- Evaluate job descriptions to frequently ensure regulatory compliance in language, for workforce needs, and related compensation for the position.
- Partnering closely with employees, assess training and educational needs for existing employees by providing industry specific programs; coordinate trainings with both in-house employees and outside resources to ensure essential educational needs are evaluated and addressed.
- Collaborate with Department Managers to identify employees for talent management opportunities to ensure continued retention and growth for management succession within the District.
- Re-evaluate, during the budget process, the optimum level of employees and related total compensation, necessary to each department based on industry standard and levels of service.
- Create and implement a robust recruiting process to ensure the District reaches the best talent by evaluating current recruiting trends, analyzing current job market rates and reviewing competitive offers of employment.
- Focus on creative strategies related to differences in how the District recruits full time, part time, and seasonal employees.
- Comply with applicable Federal, State and Local governmental regulations.
- Continue to provide a safe environment and continue to strive for low worker's compensation incidents through ongoing and targeted safety training.
- Work with employees to improve employee engagement and culture through focused performance management goals, engagement participation and incentives.

Long-term Initiatives *defined as what we see as needing to be done in the future*

1. Following review and research on like-industry wages, benefits and privileges, evaluate current positions to ensure District is competitive with its total compensation and benchmarks to support recruitment and retention needs.
2. Begin implementation of new Human Resources system for better efficiencies and automation.
3. Work closely with the IT Department to develop online training opportunities for all employees including cyber-security.
4. Work with Board of Trustees to identify Board Policies related to the District Employees and Human Resources that need updating, elimination, or creation.
5. Educate Management Staff through targeted trainings on how to manage, engage, educate and foster better communication with employees. Ensure emphasis is on employee retention.
6. Continue encompassing employee engagement participation for measured performance measurement of goals and objectives. Set increases that correlate directly with goals and engagement measures.
7. Analyze current recruiting trends to meet the challenges of hiring top candidates for open positions. Closely partner with Management Staff to ensure specific hiring needs are unambiguous and attainable. Utilizing the Economic Development Authority of Western Nevada's (EDAWN) agency resources, monitor current regional unemployment rates and incoming industries and businesses to assess targeted recruitment campaigns. Develop interactive system to ensure viable candidates remain engaged throughout the recruitment process.

Budgeted Initiatives for 2021 - 2023 *defined as the measurable 2021-2023 work plan efforts that are supporting this objective(s) and related strategies*

- A. Review budget, number of positions to salary and benefits and conduct surveys to ensure we are making every effort to attract, maintain and retain qualified employees across the District and all statuses. Continually evaluate current market trends to ensure District wages and benefits remain competitive and attractive to top talent candidates and current Staff.

- B. Assess the ongoing impacts of wages, and retention of employment changes as follows:
 - I. For recreational specific venues and positions: monitor FLSA changes for continued recreational exemption status compliance; review regional like-industry wages for recommended changes to District's current budget; identify training opportunities to ensure continued growth of seasonal employees.
 - II. For administrative venues and positions: partner with management teams to assure training/educational opportunities are available to employees for continued career growth; identify employees to cross train for succession planning purposes; evaluate best practices for targeted recruiting campaigns.
- C. Conduct quarterly management educational trainings for both new and current management and supervisory employees with an emphasis on communication, motivation, productivity and team building to improve job satisfaction, morale and employee recruitment/retention and succession planning for both employees and managers.
- D. Continue to monitor updates and changes from Federal, State and Local authorities, as applicable, regarding new regulations related emergency directives, to ensure prompt communication with IVGID management. Review emergency response plans with each department to ensure future workforce readiness.
- E. Partnering with the Recreation Center Management Team, develop Health and Wellness strategies for District employees; monitor programs to evaluate an overall reduction in absenteeism related to illness, reduced insurance usage, improved employee morale, and increased employee engagement.
- F. Leverage the consultant's recommendations in the Utility Asset and Infrastructure study as it relates to recruitment, retention, and restructuring of the Public Works workforce.

LONG RANGE PRINCIPLE #5 – ASSETS AND INFRASTRUCTURE

Statement of Objective(s) *defined as what we are striving to accomplish*

The District will practice perpetual asset renewal, replacement and improvement to provide safe and superior long term utility services and recreation activities.

Strategies *defined as how we envision accomplishing this objective(s)*

- Maintain, renew, expand and enhance District infrastructure to meet the capacity needs and desires of the community for future generations.
- Maintain, procure and construct District assets to ensure safe and accessible operations for the public and the District's workforce.
- Maintain current Community Service and Public Works master plans.
- Maintain and execute a 5-Year and 20-Year capital improvement plan.
- Conduct planning and design, prior to advancing projects or procurement, to ensure new District assets meet operational requirements and enhance the residents, constituents and guests experience.
- Maintain an asset management program leveraging technology, as appropriate by venue/division, to ensure timely and efficient asset maintenance.
- Comply with regulatory requirements and industry standards.
- Leverage technology and employee training to secure District assets digitally and physically.

Long-term Initiatives *defined as what we see as needing to be done in the future*

1. Complete a community wide review of the Diamond Peak Master Plan to ensure that it meets the needs of the current residents, constituents and guests environment as it has been five years since the last review.
2. Continue to implement top priorities identified in the Community Service Master Plan priorities as defined by the Board of Trustees.
3. Focus on strengthening overall project and contract management.

4. Identify Board Policies related to District Asset Management and present to the Board those that need updating, elimination, or creation.
5. Effluent Export Project, Phase II, continue to pursue project partnerships and Federal, State and Local funding to reduce District costs.
6. Ensure digital safeguards are in place for District technology infrastructure.

Budgeted Initiatives for 2021 - 2023 *defined as the measurable 2021-2023 work plan efforts that are supporting this objective(s) and related strategies*

- A. Use findings from Utility Management and Asset Assessment Study and analyze recommendations to bring forward changes that provide benefit to the District.
- B. Complete Utility Rate Study to ensure the Utility Fund meets budgetary and fund balance requirements.
- C. Work with CMAR and design consultants to finalize design and begin construction of the Effluent Pond Lining and Pipeline Projects.
- D. Allocate capital expenditures in Community Services to maintain services, while planning for some facility replacement for facilities that are crossing 20 years in service.
- E. After the residents, constituents and guests input is received, prepare an outline of the next steps to move the Diamond Peak Master Plan forward if desired.
- F. Create and implement a District Project Manager position in the Engineering Division of Public Works.
- G. Advance the planning of the Community Dog Park.
- H. Complete the design and begin construction of the Mountain Golf Course Path Project.
- I. Complete evaluation of options and provide recommended timeline and methodology to reconstruct Ski Way.

- J. Develop Comprehensive Capital Plan for IVGID Beach Properties aligning with the Beaches Master Plan.
- K. Execute the Burnt Cedar Swimming Pool Reconstruction Project.
- L. Implement Phase 1 of District-wide security camera project.

LONG RANGE PRINCIPLE #6 - COMMUNICATION

Statement of Objective(s) *defined as what we are striving to accomplish*

The District will engage, interact and educate to promote understanding of the programs, activities, services, and ongoing affairs.

Strategies *defined as how we envision accomplishing this objective(s)*

- Promote transparency in all areas including finance, operations and public meetings.
- Maintain, expand and enhance the District's communications infrastructure to meet the evolving needs and desires of the residents, constituents and guests utilizing current industry best practices.
- Provide clear, concise and timely information in multiple, publicly accessible formats.
- Ensure internal and external communication are responsive, comprehensive and inclusive.
- Ensure the District employees and the Board of Trustees are focused on unified communication and messaging.

Long-term Initiatives *defined as what we see as needing to be done in the future*

1. Continue to implement best practices for sharing information with the public including but not limited to the Districts websites, IVGID quarterly magazine, email communication, public outreach, special events, social media platforms and/or paid advertising platforms as appropriate.
2. Maintain online systems for residents and constituents to access their accounts and complete online transactions.
3. Participate in relevant community and basin outreach events and publications to spread messaging on District programs.
4. Work diligently to improve all external partner and collaborative relationships to maximize available resources.

5. Proactively seek residents, constituents and guests input on important matters affecting the community as determined by Management and/or the Board of Trustees.
6. Involvement/presence with resident and constituent Meet and Greets to include key venues and the Board of Trustees.

Budgeted Initiatives for 2021 - 2023 *defined as the measurable 2021-2023 work plan efforts that are supporting this objective(s) and related strategies*

- A. Host Board of Trustees Community Workshops related to key District matters as scheduled by the Board of Trustees.
- B. Provide informative and timely releases of information to our residents, constituents and guests.
- C. Ensure that the District is well represented in external agency discussions and collaborative opportunities where there may be an impact to either the District and/or our community.
- D. Update and enhance the District's public facing websites to bring in line with current industry best practices for data security, responsive design, and user experience.
- E. Continue to administer venue and resident, constituent and guest surveys related to key matters and initiatives.

LONG RANGE PRINCIPLE #7 - GOVERNANCE

Statement of Objective(s) *defined as what we are striving to accomplish*

Promote a local government and organization that is committed to meeting the needs of the residents, constituents and guests, encourages collaboration, civic participation, and promotes accountability and transparency in the effective delivery of services.

Strategies *defined as how we envision accomplishing this objective(s)*

- Continue Legislative Advocacy efforts at the Federal, State, and Local levels to support appropriations for water and wastewater infrastructure improvements that support Principle #2 and Principle #5
- Maintain current and quality Board/District Policies in order to achieve maximum efficiency, transparency, and clear direction to District employees
- Continue the refinement of appropriate performance measurement to demonstrate quality as well as quantity
- Partnering closely with employees to assess training and educational needs for existing employees; coordinate trainings with both in-house employees and outside resources to ensure essential educational needs are evaluated and addressed
- Improve and enhance civic engagement and transparency using improved web-based tools for agenda management, financial reporting and project tracking.

Long-term Initiatives *defined as what we see as needing to be done in the future*

1. Work with Board of Trustees to identify and prioritize Board Policies related to the Finances of the District that need updating, elimination, or creation. Consider updating Board Policies and Practices relating to Budget and Fiscal Management.
2. Identify and prioritize Board Policies related to District Asset Management and present to the Board those that need updating, elimination, or creation.
3. Continue to create inter-agency partnerships and foster strong collaborative relationships with Local and State agencies.

Budgeted Initiatives for 2021 - 2023 *defined as the measurable 2021-2023 work plan efforts that are supporting this objective(s) and related strategies*

1. Continue to utilize outside resources to assist the District in policy review and potential updates and revisions.
2. Continue to work with the General Manager's Ordinance 7 Committee and the Board of Trustees to make formal revisions.
3. Implement CivicPlus online agenda management and archive system.
4. Continue to work with the District's Federal Lobbyist, Nevada League of Cities, and Local Government Agencies to procure potential federal infrastructure money including the United States Army Corps of Engineers.

IMPLEMENTATION

The annual budget document serves as the Action Plan for implementing the 2021-2023 objectives.

Budget Initiatives

The budget initiatives for the Fiscal Years 2021-2023 are described in conjunction with each Long Range Principle.

Review Process

Implementation of the Strategic Plan requires a process of review, improvement, refinement, and measurement and following is the criteria for successful implementation of the Strategic Plan. It represents the commitment and discipline required to institutionalize the process.

- All employees and Board of Trustees members should receive a copy of the plan or electronic access to the Plan and the Plan should become a regular part of Staff and Board of Trustees meetings/discussions.
- The Strategic Plan becomes the guidepost for the District. When decisions or responses to the residents, constituents and guests are needed, the Strategic Plan serves as a strong reference point for decision-making and whether or not new issues or responses are of higher importance than what's been established as existing direction.
- Post a summary or shortened version of the Strategic Plan on the District's website and track results on the website as well. It may also be helpful to print a short summary of the Strategic Plan's progress to distribute to interested partners, residents, constituents and guests.
- The District's General Manager and the Senior Management Team will have the responsibility of being the Strategic Plan Managers to ensure successful implementation.
- Regular reporting of the Strategic Plan's progress should occur. Break the Strategic Plan into separate fiscal years and report, one year at a time, as an ongoing annual work plan. Each initiative for the year should include a list of actions that support the goal's completion. Actions are developed prior to each year.

- Provide an update on the Plan's implementation and results on an annual basis.
- Conduct employee meetings on a quarterly or semi-annual basis to review the Strategic Plan's progress and results and report on progress to the Board of Trustees.
- The performance appraisal process should reflect the completion of the Strategic Plan initiatives as an evaluation criterion. Also, performance criteria should be aligned with values of the District such as innovation, teamwork, and accountability.
- Track the measurement system on a quarterly basis. Some of the measures will be calculated annually. Provide an annual narrative about the results. Review the measures on an annual basis and make adjustments as necessary to ensure the measures continuously add value to decision making. Include a combination of lagging and leading indicators. (Lagging indicators or outcomes measure past performance; leading indicators or performance drivers assist in establishing future performance.)
- After completion of the first year of the Strategic Plan and baseline results are quantified, targets should be initiated for the measurement system.
- After each year of the Strategic Plan, the employees should review the Strategic Plan's process and re-tool any parts of the process that need improvement. This review should include a "just-in-time review" of the following year's Initiatives to determine if priorities have changed. The review of Initiatives should tie into the budget process.
- Employee meetings should regularly include discussion of strategy. Create a visualization process to emphasize the Strategic Plan's importance and the District's commitment to execution. For example, posting charts on office walls of each year's initiatives, with a check-off column, can provide a visual tracking of initiative completion.

REASSESSMENT

Many external factors, such as the local and national economy, demographic changes, statutory and legislative changes, and climate may affect the environment and thus achievement of strategies. To the extent that external events have long-range impacts, strategies, objectives and actions may need to be adjusted to reflect these changes.

New information about residents, constituents, and guests needs or results may also require changes to the Strategic Plan. It is desirable to minimize the number of adjustments to long range principles in order to maintain credibility.

However, the District's Board of Trustees expects to conduct interim reviews each year, and more comprehensive strategic planning processes every five years, depending on how quickly conditions change. Performance measure results will be reviewed more frequently than the Strategic Plan.



**GENERAL IMPROVEMENT DISTRICT
ONE DISTRICT ~ ONE TEAM**

Incline Village General Improvement District

893 Southwood Boulevard

Incline Village, Nevada 89451

Telephone Number: 775-832-1100

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MEMORANDUM

TO: Board of Trustees

FROM: Ray Tulloch
Audit Committee Chair

SUBJECT: Review, discuss and possibly adopt recommendations for changes to Board Policy 15.1.0 as recommended by the Audit Committee

DATE: September 2, 2021

I. RECOMMENDATION

The Board of Trustees review, discuss and possibly adopt modifications to Board Policy 15.1.0 as recommended by the Audit Committee

II. BACKGROUND

Board Policy 15.1.0 Accounting, Auditing and Financial Reporting - Audit Committee, should be reviewed and revised periodically to remain relevant and to ensure compliance. If policies are not periodically reviewed they can become obsolete over time. The Audit Committee has now been operating for 15 months under the current 15.1.0 Policy and during this period there have been some concerns and questions raised regarding the scope of issues delegated to and discussed by the Audit Committee.

Based on this experience and feedback, the Audit Committee has recently reviewed the current policy 15.1.0 and developed and agreed recommended changes to improve clarity around the roles and responsibilities of the Committee. These changes build upon the significant progress and achievements of the Committee over the past 15 months and more clearly delineate the areas of responsibility of the Committee while still retaining the independence of the Committee that is so critical to effective oversight and governance of the District

III. ACTIONS

The attached draft of proposed modifications to policy 15.1.0 has been extensively discussed and reviewed by the Audit Committee. It is recommended that the Board Review, discuss and possibly adopt these recommendations for changes to Board Policy 15.1.0. With this memo there are included:

- A clean copy of the recommended changes to policy 15.1.0
- A copy of the current policy 15.1.0
- A red-line comparison of current and revised policy 15.1.0

NOTE: *Because of the numerical formatting in this document the redlining looks much more extensive than it actually is. When a paragraph/section is renumbered it shows all the text as deleted and a complete new section added.*

IV. ALTERNATIVES

Do not move forward with the proposed changes and leave Board Policy 15.1.0 unchanged.

V. FINANCIAL IMPACT AND BUDGET

There is no budgetary impact.

Current Version of Policy 15.1.0



Accounting, Auditing, and Financial Reporting Audit Committee Policy 15.1.0

The Incline Village General Improvement District is committed to be proactive, informed, and providing the highest form of financial accountability to its parcel owners. Achieving this goal requires clear rules and procedures for making decisions and their impact on financial results.

The Government Finance Officers Association encourages the effective use of an audit committee in the public sector and considers this committee an integral element of public accountability and governance. The Audit Committee plays a key role with respect to the integrity of the District's financial information by ensuring those responsible for financial management (management, auditors, and the Board of Trustees) meets their respective responsibilities for internal controls compliance and financial reporting.

To be effective, an audit committee should be formally established by the Board of Trustees, be adequately funded, and properly documented.

POLICY: The Audit Committee ("Committee") is to assist the Board of Trustees fulfill its responsibilities in accordance with Nevada Revised Statutes, District Policies, Practices, Ordinances, and Resolutions by providing oversight over the District's financial reports, the systems of internal controls including the internal audit plans and reports, and the independent external auditor's assessment of financial statements.

The Committee will ensure open communication and maintain strong working relationships with the IVGID Board of Trustees, the General Manager, Director of Finance, and internal/external auditors.

The Audit Committee Charter shall be reviewed periodically with recommended changes submitted to the Board of Trustees for approval.

ORGANIZATION: The Committee shall consist of five (5) voting members. This includes two Board appointed Trustees and three Board appointed qualified At-Large Members. The Committee can be expanded to an odd number. Recommendations for expanding the number of voting members will be approved by the Committee and submitted to the Board of Trustees for approval. The Committee is to retain a financial advisor, potentially a resource from the external audit firm, to attend meetings, provide guidance and training, as needed.

Members of the Audit Committee should obtain an understanding of accounting, auditing, financial reporting, and internal control to be able, with the assistance of



**Accounting, Auditing, and Financial Reporting
Audit Committee
Policy 15.1.0**

a financial advisor, to deliberate on issues for which the Committee is responsible. Therefore, the Board of Trustees may need to budget for an outside financial advisor to assist the Committee with the independent conduct of its work. The financial advisor will be responsible for ensuring the Committee members receive training relative to internal controls, understanding of financial reports, internal audit processes, governmental regulations, and other pertinent information. The advisor should possess the following qualifications:

- A thorough understanding and experience with Generally Accepted Accounting Principles (GAAP), Government Accounting Standard Board (GASB), and financial reporting for the public sector
- Experience either preparing or auditing financial statements for similar entities
- Experience with accounting estimates and accruals
- Experience with financial internal controls
- An understanding of the function of an audit committee

Committee members shall be independent. They shall not accept any consulting, advisory, or other compensatory fee from the District. All members shall not be an affiliated person with the District.

- Annually, the Board of Trustees will appoint two Trustees to be voting members. Appointing Trustees to serve successive years increases the consistency and allows for knowledge retention. In the event a Trustee is removed or resigns, the Board of Trustees shall appoint a new member to the committee.
- At-Large Members shall be appointed by the Board of Trustees from applicants with appropriate expertise with staggering two-year terms.
 - For the first appointment, one member will serve a one-year term and the other two will serve a two-year term.
 - Each subsequent appointment will serve two-year terms.

One voting member of the Committee shall be appointed by the Committee to be the Chair. The Chair will schedule all Committee meetings and provide Committee members with a written agenda for each meeting. Committee Members may request agenda items for the Chair's consideration and approval.

The voting Committee members are limited to two 2-year terms which may be extended in the event there are no interested and qualified applicants.



**Accounting, Auditing, and Financial Reporting
Audit Committee
Policy 15.1.0**

1.0 Independent auditor reports directly to the Audit Committee

The independent auditor reports directly to the Audit Committee. The Audit Committee is expected to maintain free and open communication with the independent auditor and District Staff. This communication may include periodic executive sessions with each of these parties. The independent auditor is to bring to the attention of the Committee any additional work required, beyond the scope of work contained in the engagement agreement, to fulfill their responsibilities.

2.0 Scope of Audit Committee's Authority and Responsibilities

It is the responsibility of the Committee to provide independent review and oversight of:

1. Financial reporting
2. Internal controls
3. The independent audit of financial statements

To fulfill these responsibilities, the Committee must:

- 2.1 Be independent, effectively communicate, and reinforce accountability.
- 2.2 Manage the external independent audit procurement process.
 - 2.2.1 Ascertain that the Request For Proposal (RFP) for a firm to be retained by the District for the annual financial audit is no more than five fiscal years with those directly supervising audit staff rotating at least every two years and audit engagement partners rotating at least every three years.
 - 2.2.2 Select the independent external auditor.
- 2.3 Make recommendations to the Board of Trustees and take subsequent action to engage an external auditor for the District's Comprehensive Annual Financial Report (CAFR)
 - 2.3.1 Make recommendations on the scope of work including the identification of funds to be audited.



**Accounting, Auditing, and Financial Reporting
Audit Committee
Policy 15.1.0**

- 2.3.2 If deemed necessary, identify and recommend additional services to be performed.
- 2.3.3 By March 31st of each year, the Board of Trustees is to formally designate an external audit firm and inform the Nevada Department of Taxation.
- 2.3.4 When appropriate replace the independent external auditors or auditing firms doing work for the District and initiate the procurement process (2.2).
- 2.3.5 Approve the scope of work and audit plans by June of each year.
- 2.4 Facilitate the external audit process.
 - 2.4.1 Review and approve formal reports or letters to be submitted to the external auditor.
 - 2.4.2 Provide an independent forum for (external and/or internal resources) auditors to report findings or difficulties encountered during the audit.
 - 2.4.3 Review the auditors' report of findings and recommendations with management and the auditor.
 - 2.4.4 Review the CAFR in its entirety, including unaudited sections and letters.
 - 2.4.5 Follow -up on any corrective action identified.
 - 2.4.6 Submit a written annual Audit Committee Report to the District's Board of Trustees in conjunction with the presentation of the annual audit.
 - 2.4.7 Assess the performance of the independent auditors.
- 2.5 Review the financial statements; quarterly and annually for fair and accurate reporting.
 - 2.5.1 Review any changes in accounting policy.
 - 2.5.2 Ensure accounting policies are followed.
 - 2.5.3 Review any off-balance sheet financings.
- 2.6 Review the framework of internal controls; ensuring management establishes, implements and reviews internal controls on a regular basis for functionality and effectiveness.



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- 2.6.1 Review the annual internal control audit plan(s).
- 2.6.2 Review management's annual assessment of their internal controls for prior year's audit plan.
- 2.6.3 Evaluate management's identification of fraud risks, ensure the implementation of anti-fraud measures and that management is setting the tone at the top that fraud will not be accepted in any form.
- 2.6.4 The Committee may identify a need to engage an external Internal Auditor to address a specific area of concern.
 - 2.6.4.1 The Committee will review and approve or modify Management's proposal for the scope of work and selection of the resource.
 - 2.6.4.2 Management is responsible for engaging the resource to perform the scope of work and overseeing contract deliverables.
 - 2.6.4.3 Management will have the responsibility for implementation of identified internal control changes or enhancements.
 - 2.6.4.4 Management will report the findings and resolutions to the Committee.
- 2.7 Periodically review the District's code of conduct that promotes honest and ethical conduct; full, fair, accurate, timely, and understandable disclosure in periodic reports; and compliance with applicable policies to ensure it is adequate and up-to-date.
- 2.8 To review and refine as necessary the procedures for the receipt, retention, and treatment of complaints received by the District, from the public or anonymous submissions by employees of the District, regarding accounting, internal accounting controls, auditing matters, or suspected fraud.
 - 2.8.1 Review and refine as needed the procedures for educating employees on their individual role in ensuring the District's financial integrity.
 - 2.8.2 Ensure employees of the District have an anonymous method for concerns to be submitted.
 - 2.8.3 Publicize the means for the public and employees to submit concerns to the Audit Committee.



**Accounting, Auditing, and Financial Reporting
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Policy 15.1.0**

2.8.4 Review any submissions received, monitor the status of all submissions, ensure their timely resolution, and the document handling or disposition.

2.9 The Audit Committee is to submit an annual report to the Board of Trustees assessing the results of its fulfillment of its duties and responsibilities.

3.0 Meetings

- 3.1 Meetings are to be conducted in accordance with the state's Open Meeting Law NRS 241. The Board of Trustees will be emailed a copy of the meeting minutes. Meeting minutes will be posted on the District website.
- 3.2 The committee will hold meetings at a minimum of once per quarter. All members are expected to attend on a regular basis.
- 3.3 Review correspondence to determine if any action is to be taken. If needed, assign the responsibility to investigate and resolve the concern/question to the appropriate organizational leader. Communicate with the submitter, if known, regarding their submitted concern.
- 3.4 Review all past correspondence with action outstanding. Ensure responses and/or corrective action is taken in a timely manner.
- 3.5 The committee may ask members of management or others to attend meetings and provide pertinent information as necessary.
- 3.6 The committee Chair shall establish the agenda for meetings and provide all briefing materials to members and the public in advance.
- 3.7 An annual meeting is to be held with the independent external auditors, the General Manager, the Director of Finance, legal counsel and anyone else as desired by the Committee to review the audited annual financial statements including the Comprehensive Annual Financial Report (CAFR) and the auditor's letter of findings.

Redline Version of Policy 15.1.0



Accounting, Auditing, and Financial Reporting
Audit Committee Charter
Policy 15.1.0

PROPOSED REVISIONS FOR DISCUSSION

The Incline Village General Improvement District is committed to be proactive, informed, and ~~providing to~~ provide the highest ~~form~~ level of financial accountability and transparency to its parcel owners. ~~Achieving this goal requires clear rules and procedures for making decisions and their impact on financial results other stakeholders (i.e., the State of Nevada).~~

The Government Finance Officers Association (GFOA) encourages the effective use of an audit committee in the public sector and considers ~~this~~ such a committee an integral element of public accountability and governance. ~~The~~ An Audit Committee plays a key role with respect to overseeing the integrity of the District's annual financial information statements (the "CAFR") by ensuring those responsible for financial management (~~management, auditors~~ Management, and the Board of Trustees) ~~meets~~ meet their ~~respective~~ responsibilities for maintaining an effective system of internal controls ~~compliance and over~~ financial reporting.

~~To be effective, an~~ An audit committee also provides a forum separate from management in which auditors and other interested parties can candidly discuss concerns. By effectively carrying out its functions and responsibilities, an audit committee helps to ensure that procedures are in place to objectively assess management's practices, and that the independent auditors, through their own review, objectively assess the government's financial reporting practices.

An audit committee should be formally established by the Board of Trustees, be adequately funded, and ~~properly documented~~ be subject to a formally approved Audit Committee Charter.

POLICY: The Audit Committee (~~the~~ "the "Committee") is to assist the Board of Trustees fulfill its responsibilities in accordance with Nevada Revised Statutes, District Policies, Practices, Ordinances, and Resolutions by providing oversight over the District's financial reports, the ~~systems~~ system of internal controls including the internal audit plans and reports, and the independent ~~external auditor's assessment of financial statements~~ reports within the CAFR.

The Committee ~~will ensure~~ shall have open communication with and maintain strong working relationships with the IVGID Board of Trustees, the General Manager, Director of Finance, and ~~internal/external auditors~~ the independent auditor.

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Accounting, Auditing, and Financial Reporting
Audit Committee Charter
Policy 15.1.0

~~The Audit~~ This Committee shall review the Charter shall be reviewed periodically annually with any recommended changes submitted to the Board of Trustees for consideration and approval.

ORGANIZATION: The Committee shall consist of five (5) voting members. This includes two Board members appointed annually by the Trustees and three ~~Board members~~ appointed by the Trustees to serve as qualified At-Large Members. ~~The Committee can be expanded to an odd number. Recommendations~~ Any recommendations for expanding the number of voting members will be approved by the Committee and submitted to the Board of Trustees for approval consideration. The Committee ~~is to~~ may retain a financial adviser, ~~potentially a resource from the external audit firm or other appropriate advisors~~ to attend meetings, provide guidance and training, as needed.

Members of the Audit Committee should have or shall obtain an understanding of accounting, auditing, financial reporting, and internal ~~control~~ controls to be able, with the assistance of a financial an advisor if needed, to deliberate on issues for which the Committee is responsible. Therefore, the Board of Trustees may need to budget for periodic training of the Committee members and an outside financial advisor to assist the Committee with the independent conduct of its work. ~~The financial. Any advisor will be responsible for ensuring the Committee members receive training relative to internal controls, understanding of financial reports, internal audit processes, governmental regulations, and other pertinent information. The advisors so engaged~~ should possess the following qualifications:

- A thorough understanding and experience with Generally Accepted Accounting Principles (GAAP), Government Accounting Standard Board (GASB), statements, and financial reporting for the public sector
- Experience either preparing or auditing financial statements ~~for similar entities~~
- Experience with accounting estimates and accruals
- Experience with financial internal controls over financial reporting
- An understanding of the function of an audit committee

At-Large Committee members shall be independent. They shall not accept any consulting, advisory, or other compensatory fee from the District. All members shall not be an affiliated person with the District.



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Audit Committee Charter
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At-Large Committee members shall be expected to comply with all District policies that apply to volunteers. District Management shall be responsible for providing copies of all relevant policies to Committee members..085

- Annually, the Board of Trustees will appoint two Trustees to be vetting~~Committee~~ members. Appointing Trustees to serve successive years increases the consistency~~continuity~~ and allows for knowledge retention. In the event a Trustee is removed or resigns, the Board of Trustees shall appoint a new member to the ~~committee~~.Committee. In accordance with GFOA recommendations, Trustees considered for appointment to the Committee shall not be exercising managerial responsibilities that fall within the scope of the audit of the District.¹ This recommendation would generally preclude the Treasurer from joining the Committee. (NRS318.085 item 4)
- At-Large Members shall be appointed by the Board of Trustees from applicants with appropriate accounting, auditing and financial reporting expertise with ~~staggering~~staggered two-year terms.
 - For the first appointment, one member will serve a one-year term and the other two will serve a two-year term.
 - ~~Each~~For each subsequent appointment the member will serve a two-year ~~term~~term.

One ~~vetting~~ member of the Committee shall be appointed by the Committee to be the Chair. The Chair will schedule all Committee meetings and provide Committee members with a written agenda for each meeting. Committee Members may request agenda items for the Chair's consideration and approval.

The ~~vetting~~ Committee members are limited to two 2-year terms, which may be extended in the event there are no interested ~~and/or~~ qualified applicants to fill any future vacancies.

¹ To ensure the committee's independence and effectiveness, no governing body member who exercises managerial responsibilities that fall within the scope of the audit should serve as a member of the audit committee". Source: GFOA Best Practices. Audit Committee



**Accounting, Auditing, and Financial Reporting
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1.0 Independent auditor reports directly to the Audit Committee

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The independent auditor ~~reports will be engaged by and report~~ directly to the Audit Committee. The ~~Audit~~ Committee is expected to maintain free and open communication with the independent auditor and District Staff. This communication may include periodic executive sessions with each of these parties. The independent auditor is to bring to the attention of the Committee any additional work required: (and related fee impact), beyond the scope of work contained in the engagement ~~agreement, letter and the audit plan~~, to fulfill their responsibilities: before any such work is undertaken.

2.0 Scope of Auditthe Committee's Authority and Responsibilities

It is the responsibility of the Committee to provide independent review ~~and~~ oversight ~~of and feedback on~~:

1. Financial reporting
2. Internal controls
3. The independent audit of the basic financial statements
4. The CAFR

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To fulfill these responsibilities, the Committee ~~must shall~~:

2.1 Be independent, effectively communicate, and reinforce accountability.

2.2 Manage the external independent audit procurement process.

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2.2.1 ~~Ascertain that~~Review and approve the Request For Proposal (RFP) for a ~~firm an independent auditor~~ to be retained by the District. Such engagement should be for the annual financial audit is no more than five fiscal years with those directly supervising audit staff rotating at least every two years and audit engagement partners rotating at least every three years in duration.

2.2.2 ~~Select the independent external auditor.~~



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~~2.3~~ ~~Make recommendations to the Board of Trustees and take subsequent action to engage an external auditor for the District's Comprehensive Annual Financial Report (CAFR)~~

~~2.3.12.2.2~~ ~~Make recommendations on the scope of work including the identification of funds to be audited.~~

~~2.2.3~~ ~~Make recommendations to the Board of Trustees and take subsequent action to engage an independent auditor.~~

~~2.2.4~~ ~~Review and approve the engagement letter (i.e., contract) between the District and the independent auditor~~

~~2.3.22.2.5~~ ~~If deemed necessary, identify and recommend additional services to be performed.~~

~~2.3.32.2.6~~ ~~By March 31st of each calendar year, the Board of Trustees is to formally designate an external audit firm independent auditor and inform the Nevada Department of Taxation. (NRS 354.624 item 3)~~

~~2.3.42.2.7~~ ~~When appropriate replace the independent external auditors or auditing firms doing work for the District auditor and initiate the procurement process (2.2.1).~~

~~2.3.5~~ ~~Approve the scope of work and audit plans by June of each year.~~

~~2.4.2.3~~ ~~Facilitate the external audit process.~~

~~2.4.12.3.1~~ ~~Review and approve formal reports or letters to be submitted to, in consultation with the external independent auditor, the annual audit plan, the scope of audit activities and schedules by June of each year~~

~~2.4.22.3.2~~ ~~Provide an independent forum for (external and/or internal resources) auditors to report findings or difficulties encountered during the audit.~~

~~2.4.32.3.3~~ ~~Review the auditors' report of findings and recommendations with the District management and the independent auditor, all major issues regarding:~~

~~2.3.3.1~~ ~~Review the Accounting Principles~~

~~2.3.3.2~~ ~~CAFR presentation~~

~~2.3.3.3~~ ~~Any significant changes in its entirety, including unaudited sections the selection or application of accounting principles~~

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Accounting, Auditing, and Financial Reporting
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- 2.4.42.3.3.4 Significant judgments made in the preparation of the CAFR and letters basic financial statements
 - 2.4.5 Follow up on any corrective action identified.
 - 2.3.3.5 Submit The effect of regulatory initiatives
 - 2.3.3.6 Off-balance sheet structures
 - 2.3.3.7 Changes to audit plan of independent auditor as a result of any additional issues identified by the auditor
 - 2.3.3.8 Any restrictions on the scope of the auditor's activities or on access to requested information or managements responses
 - 2.3.4 To review with District management and the independent auditor any material conflicts or disagreements between District management and the independent auditor, whether or not resolved, regarding financial reporting, accounting practices or policies or other matters, that, individually or in the aggregate, could be significant to the District's financial statements or the independent auditors' report, and attempt to help resolve any conflicts or disagreements regarding financial reporting.
 - 2.3.5 According to the approved work plan, conduct periodic meetings with the external auditor to review progress, issues identified, concerns and the audit timeline
 - 2.3.6 Review and approve the Management Representation letter by the District's management prior to submittal of the letter to the independent auditor
 - 2.4.62.3.7 The Committee shall submit a written annual Audit Committee Reportreport to the District's Board of Trustees in conjunction with the presentation of the annual auditCAFR to the Board of Trustees by the end of December.
 - Assess
- 2.4 Post External Audit Follow up
- 2.4.1 Follow-up on any corrective action identified
 - 2.4.7 Annually evaluate the performancework of the independent auditors.

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2.4.2 Review the financial statements; quarterly auditor and lead audit partner based on compliance with work plan and engagement letter

2.4.3 At least annually, obtain and review a report by the independent auditor that describes:

2.4.3.1 the independent auditor's internal control procedures

2.4.3.2 any material issues raised by the most recent peer review of the independent auditor

2.4.3.3 any inquiry or investigation by governmental or professional authorities, within the preceding five years regarding any audit performed and any steps taken to deal with any such issues.

2.5 The Committee may identify a need to engage an external resource to address a specific area of concern.

2.5.1 The Committee shall seek approval from Board of Trustees to obtain appropriate resources.

2.5.2 The Committee shall agree the Scope of Work

2.5.3 The Committee is responsible for engaging the resource to perform the scope of work.

2.5.4 The external resource shall report findings to the Committee.

2.5.5 The Committee will provide findings to the Board of Trustees and recommend implementation of the findings, if any.

2.5.6 Management will have the responsibility for fair and accurate reporting implementation of identified changes or enhancements.

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~~2.5.1 Review any changes in accounting policy.~~

~~2.5.2 Ensure accounting policies are followed.~~

~~2.5.3 Review any off-balance sheet financings.~~

2.6 Review the framework of The Committee shall review and provide oversight of the internal controls; ensuring management establishes, implements and reviews internal controls on a regular basis for functionality and effectiveness.



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- ~~2.6.1 Review the Management will provide an annual schedule for the review of District Financial Practices (internal control audit plan(s).~~
- ~~2.6.2 Review management's annual assessment of their internal controls for prior year's audit plan.~~
- ~~2.6.3 Evaluate management's identification of fraud risks, ensure documents. These documents will be provided to the implementation of anti-fraud measures and that management is setting the tone at the top that fraud will not be accepted in any form.~~
- ~~2.6.4.2.6.1 The Audit Committee may identify a need to engage an external Internal Auditor to address a specific area of concern for their review and oversight.~~
- ~~2.6.4.1 The Committee will review and approve or modify Management's proposal for the scope of work and selection of the resource.~~
- ~~2.6.4.2 Management is responsible for engaging the resource to perform the scope of work and overseeing contract deliverables.~~
- ~~2.6.4.3 Management will have the responsibility for implementation of identified internal control changes or enhancements.~~
- ~~2.6.4.4 Management will report the findings and resolutions to the Committee.~~

Periodically

~~2.7 Annually~~ review the District's ~~codeCode~~ of ~~conductConduct~~ that promotes honest and ethical conduct; full, fair, accurate, timely, and ~~understandable disclosure disclosures~~ in periodic reports including the CAFR; and compliance with applicable policies and practices to ensure it is adequate and up-to-date.

~~2.8 2.8~~ — To annually review and refine as necessary the whistleblower procedures for the receipt, retention, and treatment of complaints received by the District, from the public or anonymous submissions by employees of the District, regarding accounting, internal accounting controls, auditing matters, or suspected fraud.

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Accounting, Auditing, and Financial Reporting
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~~2.8.1~~ ~~2-8.1~~—Review and refine as needed the procedures for educating employees on their individual role in ensuring the District's financial integrity.

~~2.8.2~~ ~~2-8.2~~—Ensure employees of the District have an anonymous method for concerns to be submitted.

~~2-8.3~~ Publicize

NOTE: This is predicated upon approval of the ~~means for the public-current whistleblower policy and employees may require to submit concerns be updated dependent upon BoT changes to the Audit whistleblower policy~~

~~2.9~~ Reports to Board of Trustees.
The Committee.

~~2-8.4~~ Review any submissions received, monitor the status of all submissions, ensure their timely resolution, and the document handling or disposition.

~~2.9.1~~ ~~2-9~~—The Audit Committee is to ~~shall~~ submit an annual report to the Board of Trustees assessing ~~the results~~ of its fulfillment of ~~its~~ duties and responsibilities ~~as described in the Charter~~

3.0 Meetings

3.1 Meetings are to be conducted in accordance with the state's Open Meeting Law NRS 241. The Board of Trustees will be emailed a copy of the meeting minutes. Meeting minutes will be posted on the District website.

3.2 The committee will hold meetings at a minimum of once per quarter. All members are expected to attend on a regular basis. Any member missing two consecutive meetings without due cause (i.e., illness) will be reviewed for continued membership on the Committee by the Chairs of the Committee and Board.

3.3 The committee Chair shall establish the agenda for meetings and provide all briefing materials to members and the public in advance. Review

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3.4 ~~The District's management is to provide to the Committee at least 7 calendar days prior to a Committee's public meeting, copies of all materials which are to be presented by management~~

~~3.3.5~~ The Committee shall review correspondence to determine if any action is to be taken. If needed, assign the responsibility to investigate and resolve the concern/question to the appropriate organizational leader. Communicate with the submitter, if known, regarding their submitted concern.

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~~3.4.3.6~~ Review~~The Committee shall review~~ all past correspondence with action which contains outstanding action items. Ensure responses and/or corrective action is taken in a timely manner.

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~~3.5.3.7~~ The committee~~Committee~~ may ask members of management or others to attend meetings and provide pertinent information as necessary.

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~~3.6~~ ~~The committee Chair shall establish the agenda for meetings and provide all briefing materials to members and the public in advance.~~

3.8 An annual meeting is to be held with the independent ~~external auditors~~auditor, the General Manager, the Director of Finance, legal counsel and anyone else as desired by the Committee to review the audited annual basic financial statements including the Comprehensive Annual Financial Report (CAFR) and the auditor's letter of findings. material written communications with the District

4.0 Annual Financial Risk Assessment and Risk Management.

The Committee shall review and discuss with District management and the independent auditor the District's major financial risk exposures, and the steps management has taken to monitor and control those exposures. It is the Board's responsibility to ensure the District has adequate controls and plans for risk mitigation for areas beyond finance.

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Conformed Version of Policy 15.1.0 (Charter)



**Accounting, Auditing, and Financial Reporting
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PROPOSED REVISIONS FOR DISCUSSION

The Incline Village General Improvement District is committed to be proactive, informed, and to provide the highest level of financial accountability and transparency to its parcel owners and other stakeholders (i.e., the State of Nevada).

The Government Finance Officers Association (GFOA) encourages the effective use of an audit committee in the public sector and considers such a committee an integral element of public accountability and governance. An Audit Committee plays a key role with respect to overseeing the integrity of the District's annual financial statements (the "CAFR") by ensuring those responsible for financial management (Management, and the Board of Trustees) meet their responsibilities for maintaining an effective system of internal controls over financial reporting.

An audit committee also provides a forum separate from management in which auditors and other interested parties can candidly discuss concerns. By effectively carrying out its functions and responsibilities, an audit committee helps to ensure that procedures are in place to objectively assess management's practices, and that the independent auditors, through their own review, objectively assess the government's financial reporting practices¹.

An audit committee should be formally established by the Board of Trustees, be adequately funded, and be subject to a formally approved Audit Committee Charter.

POLICY: The Audit Committee (the "Committee") is to assist the Board of Trustees fulfill its responsibilities in accordance with Nevada Revised Statutes, District Policies, Practices, Ordinances, and Resolutions by providing oversight over the District's financial reports, the system of internal controls including the internal audit plans and reports, and the independent auditor's reports within the CAFR.

The Committee shall have open communication with and maintain strong working relationships with the IVGID Board of Trustees, the General Manager, Director of Finance, and the independent auditor.

¹ Source: GFOA Best Practices, Audit Committee



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This Committee shall review the Charter annually with any recommended changes submitted to the Board of Trustees for consideration and approval.

ORGANIZATION: The Committee shall consist of five (5) voting members. This includes two Board members appointed annually by the Trustees and three members appointed by the Trustees to serve as qualified At-Large Members. Any recommendations for expanding the number of voting members will be approved by the Committee and submitted to the Board of Trustees for consideration. The Committee may retain financial or other appropriate advisors to attend meetings, provide guidance and training, as needed.

Members of the Committee should have or shall obtain an understanding of accounting, auditing, financial reporting, and internal controls to be able, with the assistance of an advisor if needed, to deliberate on issues for which the Committee is responsible. Therefore, the Board of Trustees may need to budget for periodic training of the Committee members and an outside advisor to assist the Committee with the independent conduct of its work.. Any advisor so engaged should possess the following qualifications:

- A thorough understanding and experience with Generally Accepted Accounting Principles (GAAP), Government Accounting Standard Board (GASB) statements, and financial reporting for the public sector
- Experience either preparing or auditing financial statements
- Experience with internal controls over financial reporting
- An understanding of the function of an audit committee

At-Large Committee members shall be independent. They shall not accept any consulting, advisory, or other compensatory fee from the District. All members shall not be an affiliated person with the District.

At-Large Committee members shall be expected to comply with all District policies that apply to volunteers. District Management shall be responsible for providing copies of all relevant policies to Committee members..085

- Annually, the Board of Trustees will appoint two Trustees to be Committee members. Appointing Trustees to serve successive years increases continuity and allows for knowledge retention. In the event a Trustee is



Accounting, Auditing, and Financial Reporting Audit Committee Charter Policy 15.1.0

removed or resigns, the Board of Trustees shall appoint a new member to the Committee. In accordance with GFOA recommendations, Trustees considered for appointment to the Committee shall not be exercising managerial responsibilities that fall within the scope of the audit of the District.² This recommendation would generally preclude the Treasurer from joining the Committee. (NRS318.085 item 4)

- At-Large Members shall be appointed by the Board of Trustees from applicants with appropriate accounting, auditing and financial reporting expertise with staggered two-year terms.
 - For the first appointment, one member will serve a one-year term and the other two will serve a two-year term.
 - For each subsequent appointment the member will serve a two-year term.

One member of the Committee shall be appointed by the Committee to be the Chair. The Chair will schedule all Committee meetings and provide Committee members with a written agenda for each meeting. Committee Members may request agenda items for the Chair's consideration and approval.

The Committee members are limited to two 2-year terms, which may be extended in the event there are no interested or qualified applicants to fill any future vacancies.

1.0 Independent auditor reports directly to the Audit Committee

The independent auditor will be engaged by and report directly to the Committee. The Committee is expected to maintain free and open communication with the independent auditor and District Staff. This communication may include periodic executive sessions with each of these parties. The independent auditor is to bring to the attention of the Committee any additional work required (and related fee impact), beyond the scope of work contained in the engagement letter and the audit plan, to fulfill their responsibilities before any such work is undertaken.

² "To ensure the committee's independence and effectiveness, no governing body member who exercises managerial responsibilities that fall within the scope of the audit should serve as a member of the audit committee" Source: GFOA Best Practices, Audit Committee



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2.0 Scope of the Committee's Authority and Responsibilities

It is the responsibility of the Committee to provide independent review, oversight and feedback on:

1. Financial reporting
2. Internal controls
3. The independent audit of the basic financial statements
4. The CAFR

To fulfill these responsibilities, the Committee shall:

- 2.1 Be independent, effectively communicate, and reinforce accountability.
- 2.2 Manage the external independent audit procurement process.
 - 2.2.1 Review and approve the Request For Proposal (RFP) for an independent auditor to be retained by the District. Such engagement should be for no more than five fiscal years in duration.
 - 2.2.2 Make recommendations on the scope of work including the identification of funds to be audited.
 - 2.2.3 Make recommendations to the Board of Trustees and take subsequent action to engage an independent auditor.
 - 2.2.4 Review and approve the engagement letter (i.e., contract) between the District and the independent auditor
 - 2.2.5 If deemed necessary, identify and recommend additional services to be performed.
 - 2.2.6 By March 31st of each calendar year, the Board of Trustees is to formally designate an external independent auditor and inform the Nevada Department of Taxation. (NRS 354.624 item 3)
 - 2.2.7 When appropriate replace the independent auditor and initiate the procurement process (2.2.1).
- 2.3 Facilitate the external audit process.



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- 2.3.1 Review and approve, in consultation with the independent auditor, the annual audit plan, the scope of audit activities and schedules by June of each year
- 2.3.2 Provide an independent forum for auditors to report findings or difficulties encountered during the audit
- 2.3.3 Review with the District management and the independent auditor all major issues regarding:
 - 2.3.3.1 Accounting Principles
 - 2.3.3.2 CAFR presentation
 - 2.3.3.3 Any significant changes in the selection or application of accounting principles
 - 2.3.3.4 Significant judgments made in the preparation of the CAFR and basic financial statements
 - 2.3.3.5 The effect of regulatory initiatives
 - 2.3.3.6 Off-balance sheet structures
 - 2.3.3.7 Changes to audit plan of independent auditor as a result of any additional issues identified by the auditor
 - 2.3.3.8 Any restrictions on the scope of the auditor's activities or on access to requested information or managements responses
- 2.3.4 To review with District management and the independent auditor any material conflicts or disagreements between District management and the independent auditor, whether or not resolved, regarding financial reporting, accounting practices or policies or other matters, that, individually or in the aggregate, could be significant to the District's financial statements or the independent auditors' report, and attempt to help resolve any conflicts or disagreements regarding financial reporting.
- 2.3.5 According to the approved work plan, conduct periodic meetings with the external auditor to review progress, issues identified, concerns and the audit timeline
- 2.3.6 Review and approve the Management Representation letter by the District's management prior to submittal of the letter to the independent auditor



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- 2.3.7 The Committee shall submit a written report to the District's Board of Trustees in conjunction with the presentation of the CAFR to the Board of Trustees by the end of December.

- 2.4 Post External Audit Follow up
 - 2.4.1 Follow-up on any corrective action identified
 - 2.4.2 Annually evaluate the work of the independent auditor and lead audit partner based on compliance with work plan and engagement letter
 - 2.4.3 At least annually, obtain and review a report by the independent auditor that describes:
 - 2.4.3.1 the independent auditor's internal control procedures
 - 2.4.3.2 any material issues raised by the most recent peer review of the independent auditor
 - 2.4.3.3 any inquiry or investigation by governmental or professional authorities , within the preceding five years regarding any audit performed and any steps taken to deal with any such issues.

- 2.5 The Committee may identify a need to engage an external resource to address a specific area of concern.
 - 2.5.1 The Committee shall seek approval from Board of Trustees to obtain appropriate resources.
 - 2.5.2 The Committee shall agree the Scope of Work
 - 2.5.3 The Committee is responsible for engaging the resource to perform the scope of work.
 - 2.5.4 The external resource shall report findings to the Committee.
 - 2.5.5 The Committee will provide findings to the Board of Trustees and recommend implementation of the findings, if any.
 - 2.5.6 Management will have the responsibility for implementation of identified changes or enhancements.

- 2.6 The Committee shall review and provide oversight of the internal controls ensuring management establishes, implements and reviews internal controls on a regular basis for functionality and effectiveness.



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2.6.1 Management will provide an annual schedule for the review of District Financial Practices (internal control) documents. These documents will be provided to the Audit Committee for their review and oversight.

2.7 Annually review the District's Code of Conduct that promotes honest and ethical conduct; full, fair, accurate, timely disclosures in periodic reports including the CAFR; and compliance with applicable policies and practices to ensure it is adequate and up-to-date.

2.8 To annually review and refine as necessary the whistleblower procedures for the receipt, retention, and treatment of complaints received by the District, from the public or anonymous submissions by employees of the District, regarding accounting, internal accounting controls, auditing matters, or suspected fraud

2.8.1 Review and refine as needed the procedures for educating employees on their individual role in ensuring the District's financial integrity.

2.8.2 Ensure employees of the District have an anonymous method for concerns to be submitted.

NOTE: This is predicated upon approval of the current whistleblower policy and may require to be updated dependent upon BoT changes to the whistleblower policy

2.9 Reports to Board of Trustees.

2.9.1 The Committee shall submit an annual report to the Board of Trustees assessing its fulfillment of its duties and responsibilities as described in the Charter

3.0 Meetings

3.1 Meetings are to be conducted in accordance with the state's Open Meeting Law NRS 241. The Board of Trustees will be emailed a copy of the meeting minutes. Meeting minutes will be posted on the District website.



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- 3.2 The committee will hold meetings at a minimum of once per quarter. All members are expected to attend on a regular basis. Any member missing two consecutive meetings without due cause (i.e., illness) will be reviewed for continued membership on the Committee by the Chairs of the Committee and Board.
- 3.3 The committee Chair shall establish the agenda for meetings and provide all briefing materials to members and the public in advance.
- 3.4 The District's management is to provide to the Committee at least 7 calendar days prior to a Committee's public meeting, copies of all materials which are to be presented by management
- 3.5 The Committee shall review correspondence to determine if any action is to be taken. If needed, assign the responsibility to investigate and resolve the concern/question to the appropriate organizational leader. Communicate with the submitter, if known, regarding their submitted concern.
- 3.6 The Committee shall review all past correspondence which contains outstanding action items. Ensure responses and/or corrective action is taken in a timely manner.
- 3.7 The Committee may ask members of management or others to attend meetings and provide pertinent information as necessary.
- 3.8 An annual meeting is to be held with the independent auditor, the General Manager, the Director of Finance, legal counsel and anyone else as desired by the Committee to review the audited annual basic financial statements including the Comprehensive Annual Financial Report (CAFR) and the auditor's material written communications with the District

4.0 Annual Financial Risk Assessment and Risk Management.

The Committee shall review and discuss with District management and the independent auditor the District's major financial risk exposures, and the steps management has taken to monitor and control those exposures. It is the Board's



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responsibility to ensure the District has adequate controls and plans for risk mitigation for areas beyond finance.

MEMORANDUM

TO: Board of Trustees

THROUGH: Tim Callicrate
Board Chairman

FROM: Indra Winqest
District General Manager

SUBJECT: Review, discuss and provide direction on possible revisions to Board Policy 15.1.0 – Audit Committee

DATE: September 2, 2021

I. RECOMMENDATION

It is recommended that the Board of Trustees:

- 1) Review, discuss and provide direction on possible revisions to Board Policy 15.1.0, **and**
- 2) Direct Staff to return to the Board with a draft of revised Policy 15.1.0 incorporating Board feedback and direction.

II. BACKGROUND

Board Policy 15.1.0, establishing roles and responsibilities of the Audit Committee, was first adopted in 2009 and revised in 2017. The policy was again revised in May of 2020 to more specifically define the role and responsibilities of the Audit Committee as well as to reconfigure the Committee to be comprised of two Board-appointed Trustees and three Board-appointed At-Large members.

Under the current Board Policy 15.1.0, the Audit Committee serves to assist the Board of Trustees in fulfilling its fiduciary responsibilities by providing independent review and oversight over financial reporting, internal controls, and the independent audit of financial statements.

In addition to the scope of the Audit Committee's authority and responsibilities, Policy 15.1.0 provides that the Audit Committee is responsible for managing the procurement process for selection of the District's independent auditor, outlines the role of the Audit Committee through the annual independent audit, and charges the Audit Committee with oversight in ensuring a transparent process for

communicating and resolving complaints received by the District related to accounting practices, internal controls, auditing matters and suspected fraud.

Policy 15.1.0 also provides that the Audit Committee Charter shall be reviewed periodically with recommended changes submitted to the Board of Trustees for their consideration.

This agenda item has been prepared at the request of the Board of Trustees to serve as a starting-off point for discussion of possible revisions to Board Policy 15.1.0.

Note - This item originally appeared on the Board agenda for its meeting of July 13, 2021. However, the discussion of Board Policy 15.1 was deferred in order to allow the Audit Committee to provide its comments and suggested revisions to the existing policy. A discussion of Board Policy 15.1 was agendaized as part of a special meeting of the Audit Committee held on June 29th, as well as appearing on the agenda for Audit Committee meetings held on July 13th, August 10th and August 17th. The Audit Committee recommendations related to Board Policy 15.1 are include as part of this meeting agenda.

III. DISCUSSION

This agenda item seeks to provide the Board of Trustees with the opportunity to review Board Policy 15.1.0, following the first full year of the policy that was amended in May 2020, outlining the roles and responsibilities of the Audit Committee, modifying the structure of the Audit Committee, and providing for an Annual Report from the Audit Committee to the Board of Trustees in conjunction with the presentation of the annual audited financial statements.

Following adoption of the amended Board Policy 15.1.0 on May 6, 2020, a transition plan was developed that led to the appointment of new Committee members on June 23, 2020, followed by the convening of the first meeting of the newly re-constituted Audit Committee on July 29, 2020.

During the course of the past year, the Audit Committee was comprised of two Board-appointed Trustees (Dent and Schmitz) and three Board-appointed At-Large (public) members (Aaron, Dobler, Tulloch).

Through June of 2021 the Audit Committee held a total of 14 meetings, provided oversight to the independent external audit of the District's financial statements for the fiscal year ended June 30, 2020, provided a report to the Board of Trustees specific to the independent audit, served as a forum for review of issues and

concerns related to accounting practices, as well as past financial statements and audits, managed the procurement process for the District's new independent external auditor, and, most recently, has been developing a policy and procedure related to addressing Whistleblower complaints.

While each Board Trustee was appointed to serve a one-year term, the At-Large members were first appointed to provide for one member to serve a one-year term (Aaron) and two members to serve two-year terms (Dobler, Tulloch). Subsequently, committee member Aaron was re-appointed by the Board to serve a two year term, thus providing for staggered two-year terms for all At-Large members. At the same time, Trustee Dent chose not to seek re-appointment following completion of his one-year term, and while the Board of Trustees has re-appointed Trustee Schmitz to a new one-year term, the second Board-appointed seat on the Audit Committee remains vacant. *(Note: Committee member Derrek Aaron has since submitted his resignation, effective July 19, 2021).*

Consideration of Possible Revisions to Policy 15.1.0

The Board of Trustees' consideration of possible revisions to Board Policy 15.1.0 should appropriately focus on the extent to which the current policy and implementation thereof meets the intent of the Board in establishing the Audit Committee and, if not, how best can the policy be revised to improve alignment between Board intent and Committee expectations.

Broad areas for the Board of Trustees to consider include:

- Relationship between the Audit Committee and Board of Trustees
 - Advisory Role
 - Delegation of Authority
 - Independence
 - Final decision-making authority rests with Board of Trustees
- Scope and Responsibilities of the Audit Committee
 - Internal Controls
 - Financial Reporting
 - Independent Annual Audit of Financial Statements
 - Forum for addressing concerns/complaints
- Make-up of the Audit Committee
 - Two Board Trustees and three At-Large Members
 - Process for appointment of Committee Chair

- Meetings
 - Current policy:
 - No less than quarterly
 - Annual meeting to review audited financial statements
 - Practice: Meetings to be scheduled, as needed, to fulfill duties

- Role of Audit Committee through annual independent audit
 - Current Policy:
 - Recommendation for selection of Independent Auditor
 - Approval of Engagement Letter and Audit schedule / work plan
 - Review of “formal reports” provided to auditor by management
 - Practice / Expectation:
 - Review of draft financial statements and notes
 - Review of draft Transmittal Letter and Management Discussion and Analysis (MD&A) sections of annual financial report

- Role of Audit Committee in serving as an independent forum to resolve accounting and financial reporting issues/concerns.
 - Current Policy:
 - Issues are to be referred by Committee to appropriate organizational leader.
 - Practice:
 - Challenge in acting as “independent forum” for resolution of issues self-identified by member(s) of audit committee.
 - Conflict of interest arises when party raising issue or concern is also charged with resolving issue; erodes expectation of independence and objectivity

This report includes, via attachment, a summary table highlighting specific provisions of Board Policy 15.1.0 and related comments that the Board might consider in identifying specific areas where revisions (or clarification) could help to improve the policy and address concerns arising from interpretation of policy language or Board intent.

Audit Committee Recommended Revisions to Board Policy 15.1.0

As noted, the Audit Committee has recently held several meetings where recommended revisions to Board Policy 15.1 were included as agenda items for discussion. The most recent set of recommendations were discussed at the Audit

Committee meeting of August 17. The recommended revisions approved by the Audit Committee at their August 17 meeting have been transmitted to the Board via separate agenda item.

Provided as Attachment A to this Board memo is a table with an outline of existing Board Policy 15.1, with annotations related to sections or provisions where Board discussion and possible clarification may be helpful. These include comments provided by Board of Trustees, and was included in the July 13 agenda item.

In addition, included as supplemental attachments are documents requested by individual Trustees. These include: copies of both the current and prior versions of Board Policy 15.1 and copies of GFOA Best Practices referencing local government audit committees.

IV. COMMENTS

Since this agenda item first appeared on the Board agenda for the meeting of July 13th the Audit Committee has also forwarded to the Board of Trustees a draft Whistleblower Policy for Board consideration. The Whistleblower Policy, which was agendaized for discussion for the Board meeting of August 10, was removed from the agenda by a majority vote of the Board of Trustees, and has been deferred pending Board review and discussion of Board Policy 15.1.

Attachments:

- Table 1 - Comments Related to Selected Provisions of Board Policy 15.1.0
- Board Policy 15.1.0, adopted May 6, 2020
- Prior Board Policy 15.1.1, adopted November 11, 2017 (superseded by September 2020 update)
- GFOA Best Practices – Audit Committees
- GFOA Best Practices – Internal Control Environment

**ACCOUNTING, AUDITING and FINANCIAL REPORTING
AUDIT COMMITTEE
BOARD POLICY 15.1.0**

Board Policy 15.1 - as amended May 6, 2020	COMMENTS
<p>Preamble</p> <p>The Audit Committee plays a key role with respect to with respect to the integrity of the District's financial information by ensuring those responsible for financial management (management, auditors and Board of Trustees) meets their respective responsibilities for internal controls compliance and financial reporting.</p>	<p>The Audit Committee should be viewed as ADVISORY to the Board rather than given the role of "ensuring" that Board of Trustees meets its responsibilities for fiscal management.</p>
<p>Policy Statement</p> <p>The Audit Committee is to assist the Board of Trustees fulfill its responsibilities...by providing oversight over the District's financial reports, system of internal controls and the independent auditor's assessment of financial statements.</p> <p>The Committee will ensure open communication and maintain strong working relationship with the Board of Trustees, the General Manager, Director of Finance and Internal/external auditors.</p>	<p>Emphasis to be placed on ensuring the Independent Auditor - through their own review - objectively assess the government's financial reporting practices. <i>(The AC does not perform the role of the auditor).</i></p> <p>Need to improve working relationship...Independent oversight is hampered by adversarial positions versus the Board of Trustees, Independent Auditor(s) and management.</p>
<p>Organization</p> <p>The Committee shall consist of five (5) voting members. Includes two Board-appointed Trustees and three Board-appointed At-Large members.</p> <p>One voting member of the Committee shall be appointed by the Committee to serve as Chair.</p>	<p>There are variations in practice:</p> <ol style="list-style-type: none"> 1) Governing body as a whole (meeting as Audit Committee) 2) Board sub-committee (2 Trustees) 3) Trustees PLUS one or more members of the public 4) Independent public advisory body. <p>Consider establishing that Board Treasurer serve as ex-officio member of Audit Committee</p> <p>Consider adding language to clarify that all members serve at the pleasure of the Board of Trustees - and can be removed from the Committee by action of the Board.</p> <p>Board could consider requiring that Committee Chair be appointed from one of the two Board-appointed Trustees.</p>
<p>Policy Section</p> <p>1.0 Independent Auditor Reports Directly to the Audit Committee Independent Auditor reports directly to the Audit Committee The Audit Committee to maintain free and open communication with the independent auditor and staff</p> <p>The Independent Auditor is to bring to the attention of the Committee any additional work required, beyond the scope contained in the engagement agreement</p>	
<p>2.0 Scope of Audit Committee's authority and responsibilities</p> <p>It is the responsibility of the Audit Committee to provide independent review and oversight of:</p> <ol style="list-style-type: none"> 1) Financial Reporting 2) Internal Controls 3) The independent audit of financial statements 	
<p>2.1 Be independent, effectively communicate and reinforce accountability</p>	
<p>2.2 Manage the external independent audit procurement process</p>	

**ACCOUNTING, AUDITING and FINANCIAL REPORTING
AUDIT COMMITTEE
BOARD POLICY 15.1.0**

Board Policy 15.1 - as amended May 6, 2020	COMMENTS
2.3 Make recommendations to the Board of Trustees and take subsequent action to engage the external auditor for the District's CAFR	Per GFOA recommendations - substitute Annual Financial Report for CAFR (no acronym)
2.3.5 Approve the scope of work and audit plans by June of each year	Clarify to include approval of annual Engagement Letter and audit schedule / work plan
2.4 Facilitate the external audit process	Emphasis on external INDEPENDENT audit process.
2.4.1 Review and approve formal reports or letter to be submitted to the external auditor.	
2.4.2 Provide an independent forum for (external and/or internal resources) auditors to report findings or difficulties encountered during the audit.	
2.4.3 Review auditor's findings and recommendations with management and the auditor	
2.4.4 Review CAFR in its entirety, including unaudited sections and letters	CLARIFY - does review pertain to final annual report or interim drafts? AC expressed concern this past year that they did not review drafts of Transmittal Letter and Management's Discussion and Analysis (MD&A) sections of the CAFR prior to receiving final document.
2.4.5 Follow-up on any corrective action identified	CLARIFY - this follow-up should pertain to correction action identified by the independent auditor, and not necessarily corrective action dictated by the Audit Committee.
2.4.6 Submit a written annual Audit Committee Report to the Board of Trustees in conjunction with the presentation of the annual audit.	CLARIFY - is this the same annual report referenced in section 2.9? The latter speaks to broader scope of report.
2.5 Review financial statements; quarterly and annually for fair and accurate reporting	Currently, quarterly financial reports are presented to Board of Trustees. No formal review by AC Board MAY refer review of changes to Board Policies
2.5.1 Review any changes in accounting policy	
2.5.2 Ensure accounting policies are followed	
2.5.3 Review any off-balance sheet financings.	
2.6 Review framework of internal controls; ensuring management establishes, implements and reviews internal controls on a regular basis for functionality and effectiveness.	
2.6.3 Evaluate management's identification of fraud risks, ensure the implementation of anti-fraud measures and that management is setting the tone at the top that fraud will not be accepted in any form.	Note - requires understanding of management's role to manage fraud risks, as well as independent auditor's role in assessing risk.
2.7 Periodically review the District's Code of Conduct that promotes honest and ethical conduct	Code of Conduct is contained in the District's Personnel Policy Manual (Chapter 2.10).
2.8 To review and refine, as necessary, the procedures for the receipt, retention, and treatment of complaints received by the District, from the public or anonymous submissions by employees of the District, regarding accounting, internal accounting controls, auditing matters, or suspected fraud.	Need to reconcile this section with scope of Whistleblower procedures under development
2.9 The Audit Committee is to submit an annual report to the Board of Trustees assessing the results of its fulfillment of its duties and responsibilities.	CLARIFY - is this a separate report than the Annual Report identified in section 2.4.6, to be presented to the Board in conjunction with the annual audit? Only annual report related to audit process was presented to the Board (to date).
3.0 Meetings	
3.1 Meetings are to be conducted in accordance with the state's Open Meeting Law NRS 241	While NRS 241 requires that actions of bodies consisting of only elected officials require a majority vote of members, if body includes non-elected a majority of members (present) is sufficient to pass a motion. The Board of Trustees could modify Policy 15.1 to require that a majority of appointed members is required to pass motions.

**ACCOUNTING, AUDITING and FINANCIAL REPORTING
AUDIT COMMITTEE
BOARD POLICY 15.1.0**

Board Policy 15.1 - as amended May 6, 2020	COMMENTS
<p>3.2 The Committee should hold meetings at a minimum once per quarter. All members are expected to attend on a regular basis.</p>	<p>Early discussion of policy 15.1 considered setting a meeting schedule (4 x per year PLUS a special meeting dedicated to review of annual audit report. Board could consider requiring that special meetings (ex more than quarterly) be limited in number and scope. Particularly if attendance at committee meetings is to be "required."</p>
<p>3.3 Review correspondence to determine if any action is to be taken. If needed, assign the responsibility to investigate and resolve the concern/question to the appropriate organizational leader.</p>	<p>1) Majority of correspondence generated by Audit Committee member(s); this poses a challenge as it relates to "independent" review by AC of concerns received. 2) Audit Committee members should be providing oversight to independent resolution of issues brought to their attention, and not dictating resolution of self-identified issues/concerns.</p>
<p>3.6 The Audit Committee Chair shall establish the agenda for meetings and provide all briefing materials to members of the public in advance.</p>	<p>CLARIFY - AC Chair works with Board Clerk in the preparation of the agenda and supporting materials.</p>
<p>3.7 An annual meeting is to be held with the independent external auditor, the GM and the Director of Finance, legal counsel and anyone else as desired by the Committee to review the annual financial statements, including the CAFR and auditor's letter of findings.</p>	<p>It is recommended that this annual meeting be a dedicated single-topic meeting and be held following completion of the annual audit and presentation of final audited financial statements.</p>

BOARD POLICY 15.1.0

Trustee Tonking Comments

Organization

Three options I would be ok with : 1. three member group (1 board member and 2 at-large) 2. a working group of two trustees 3. 5 members (2 trustees and 3 members of public. Have trustees who are not on committee each nominate the member of the public)

Look at GFOA

Consider adding language to clarify that all members serve at the pleasure of the Board and I think we need to put language around proper conduct of members

If each member nominates their members; I think the board of trustees should appoint the chair in line w. GFOA Policy

Policy Section

1.0 Independent Auditor Reports Directly to the Audit Committee

The Auditor should also bring issues directly to Board if it is something substantial

2.1 Be independent, effectively communicate and reinforce accountability

We need to discuss independence here to affirm that the same people who are bringing up issues are not also voting on them

2.4 Facilitate the external audit process

Make sure it says independent audit

2.4.4 Review CAFR in its entirety, including unaudited sections and letters

What is the purpose of the line - the A/C is not the auditor

2.4.5 Follow-up on any corrective action identified

this follow-up should pertain to correction action identified by the independent auditor, and not necessarily corrective action dictated by the Audit Committee.

2.5 Review financial statements; quarterly and annually for fair and accurate reporting

2.5.1 Review any changes in accounting policy

2.5.1 needs to be removed that is the role of the board

2.6 Review framework of internal controls; ensuring management establishes, implements

Need to think about what level of risk they are looking for here

3.0 Meetings

3.3 Review correspondence to determine if any action is to be taken. If needed, assign the responsibility to investigate and resolve the concern/question to the appropriate organizational leader.

Audit Committee members should be providing oversight to independent resolution of issues brought to their attention, and not dictating resolution of self-identified issues/coconerns.

3.6 The Audit Committee Chair shall establish the agenda for meetings and provide all briefing materials to members of the public in advance.

With staff



Accounting, Auditing, and Financial Reporting Audit Committee Policy 15.1.0

The Incline Village General Improvement District is committed to be proactive, informed, and providing the highest form of financial accountability to its parcel owners. Achieving this goal requires clear rules and procedures for making decisions and their impact on financial results. As required by Nevada Revised Statute (NRS) 354.624, each local government shall provide for an annual independent audit of all of its financial statements.

POLICY: Each year, the Board of Trustees may establish the need for an Audit Committee and appoint no less than three members to such committee. Members of the Committee shall remain in place until successors are appointed. Members of the Audit Committee should be current Board members. As a general rule, no one having managerial responsibilities that fall within the scope of the audit should serve as a committee member.

1.0 Independent auditor reports directly to the Audit Committee

The independent auditor reports directly to the Audit Committee. The Audit Committee is expected to maintain free and open communication with the independent auditor and District Staff. This communication may include periodic executive sessions with each of these parties. The independent auditor should not engage in any work that will result in billing a fee, unless authorized by the Audit Committee. This includes response to items brought forward by any internal or external source. This does not preclude the work they must perform to meet their professional responsibility.

2.0 Scope of Audit Committee's authority and responsibilities

The Audit Committee at a minimum shall have the following authority and responsibilities:

- 2.1 To select, evaluate and, if necessary, replace the District's independent auditor, and to approve all audit engagement fees and terms, subject to Board of Trustees approval.



**Accounting, Auditing, and Financial Reporting
Audit Committee
Policy 15.1.0**

- 2.2 To review, with management and the auditors, the District's annual auditor's planning, process and engagement decisions.
- 2.3 To review procedures for the receipt, retention, and treatment of complaints received by the District regarding accounting, internal accounting controls, auditing matters, or suspected fraud. Review any submissions that have been received, monitor their current status, and the document handling or disposition.
- 2.4 To review confidential and/or anonymous submission by the District's employees of concerns regarding questionable accounting or auditing matters, or suspected fraud that cannot be handled by other appropriate levels of management.
- 2.5 The Audit Committee must meet annually to consider the appointment of the District's Auditor, receive the Comprehensive Annual Audit Report and related communications. Also, if necessary to consider circumstances that arise beyond the scope of the Audit Engagement letter that could result in additional fees, and otherwise as determined the Audit Committee Chair. Meetings may be combined with regularly scheduled Board of Trustees meetings, or may be held more frequently as circumstances may require. The Audit Committee may ask members of management or others to attend the meetings and provide pertinent information as necessary.
- 2.6 To submit a written annual Audit Committee Report to the District's Board of Trustees in conjunction with the presentation of the annual audit.
- 2.7 To review and reassess, the adequacy of the Audit Committee responsibilities and recommend any proposed changes to the Board of Trustees for approval.
- 2.8 To appoint a Chair for the Audit Committee who will act as the primary contact with the independent auditor and District staff.



**Accounting, Auditing, and Financial Reporting
Audit Committee
Policy 15.1.0**

- 2.9 All members of the Audit Committee should possess or obtain a basic understanding of governmental financial reporting and auditing.
- 2.10 The Audit Committee will keep adequate minutes of its meetings and will report on its actions and activities at the next regular meeting of the District's Board of Trustees. Audit Committee members will be furnished with copies of the minutes of each Committee meeting.
- 2.11 The Audit Committee is governed by the same open meeting laws NRS 241 as long as three current District Board of Trustees members are on the Audit Committee and in attendance at the Audit Committee meetings.



Accounting, Auditing, and Financial Reporting
Audit Committee
Policy 15.1.0

The Incline Village General Improvement District is committed to be proactive, informed, and providing the highest form of financial accountability to its parcel owners. Achieving this goal requires clear rules and procedures for making decisions and their impact on financial results.

The Government Finance Officers Association encourages the effective use of an audit committee in the public sector and considers this committee an integral element of public accountability and governance. The Audit Committee plays a key role with respect to the integrity of the District's financial information by ensuring those responsible for financial management (management, auditors, and the Board of Trustees) meets their respective responsibilities for internal controls compliance and financial reporting.

To be effective, an audit committee should be formally established by the Board of Trustees, be adequately funded, and properly documented.

POLICY: The Audit Committee ("Committee") is to assist the Board of Trustees fulfill its responsibilities in accordance with Nevada Revised Statutes, District Policies, Practices, Ordinances, and Resolutions by providing oversight over the District's financial reports, the systems of internal controls including the internal audit plans and reports, and the independent external auditor's assessment of financial statements.

The Committee will ensure open communication and maintain strong working relationships with the IVGID Board of Trustees, the General Manager, Director of Finance, and internal/external auditors.

The Audit Committee Charter shall be reviewed periodically with recommended changes submitted to the Board of Trustees for approval.

ORGANIZATION: The Committee shall consist of five (5) voting members. This includes two Board appointed Trustees and three Board appointed qualified At-Large Members. The Committee can be expanded to an odd number. Recommendations for expanding the number of voting members will be approved by the Committee and submitted to the Board of Trustees for approval. The Committee is to retain a financial advisor, potentially a resource from the external audit firm, to attend meetings, provide guidance and training, as needed.

Members of the Audit Committee should obtain an understanding of accounting, auditing, financial reporting, and internal control to be able, with the assistance of



Accounting, Auditing, and Financial Reporting Audit Committee Policy 15.1.0

a financial advisor, to deliberate on issues for which the Committee is responsible. Therefore, the Board of Trustees may need to budget for an outside financial advisor to assist the Committee with the independent conduct of its work. The financial advisor will be responsible for ensuring the Committee members receive training relative to internal controls, understanding of financial reports, internal audit processes, governmental regulations, and other pertinent information. The advisor should possess the following qualifications:

- A thorough understanding and experience with Generally Accepted Accounting Principles (GAAP), Government Accounting Standard Board (GASB), and financial reporting for the public sector
- Experience either preparing or auditing financial statements for similar entities
- Experience with accounting estimates and accruals
- Experience with financial internal controls
- An understanding of the function of an audit committee

Committee members shall be independent. They shall not accept any consulting, advisory, or other compensatory fee from the District. All members shall not be an affiliated person with the District.

- Annually, the Board of Trustees will appoint two Trustees to be voting members. Appointing Trustees to serve successive years increases the consistency and allows for knowledge retention. In the event a Trustee is removed or resigns, the Board of Trustees shall appoint a new member to the committee.
- At-Large Members shall be appointed by the Board of Trustees from applicants with appropriate expertise with staggering two-year terms.
 - For the first appointment, one member will serve a one-year term and the other two will serve a two-year term.
 - Each subsequent appointment will serve two-year terms.

One voting member of the Committee shall be appointed by the Committee to be the Chair. The Chair will schedule all Committee meetings and provide Committee members with a written agenda for each meeting. Committee Members may request agenda items for the Chair's consideration and approval.

The voting Committee members are limited to two 2-year terms which may be extended in the event there are no interested and qualified applicants.



**Accounting, Auditing, and Financial Reporting
Audit Committee
Policy 15.1.0**

1.0 Independent auditor reports directly to the Audit Committee

The independent auditor reports directly to the Audit Committee. The Audit Committee is expected to maintain free and open communication with the independent auditor and District Staff. This communication may include periodic executive sessions with each of these parties. The independent auditor is to bring to the attention of the Committee any additional work required, beyond the scope of work contained in the engagement agreement, to fulfill their responsibilities.

2.0 Scope of Audit Committee's Authority and Responsibilities

It is the responsibility of the Committee to provide independent review and oversight of:

1. Financial reporting
2. Internal controls
3. The independent audit of financial statements

To fulfill these responsibilities, the Committee must:

- 2.1 Be independent, effectively communicate, and reinforce accountability.
- 2.2 Manage the external independent audit procurement process.
 - 2.2.1 Ascertain that the Request For Proposal (RFP) for a firm to be retained by the District for the annual financial audit is no more than five fiscal years with those directly supervising audit staff rotating at least every two years and audit engagement partners rotating at least every three years.
 - 2.2.2 Select the independent external auditor.
- 2.3 Make recommendations to the Board of Trustees and take subsequent action to engage an external auditor for the District's Comprehensive Annual Financial Report (CAFR)
 - 2.3.1 Make recommendations on the scope of work including the identification of funds to be audited.



**Accounting, Auditing, and Financial Reporting
Audit Committee
Policy 15.1.0**

- 2.3.2 If deemed necessary, identify and recommend additional services to be performed.
- 2.3.3 By March 31st of each year, the Board of Trustees is to formally designate an external audit firm and inform the Nevada Department of Taxation.
- 2.3.4 When appropriate replace the independent external auditors or auditing firms doing work for the District and initiate the procurement process (2.2).
- 2.3.5 Approve the scope of work and audit plans by June of each year.
- 2.4 Facilitate the external audit process.
 - 2.4.1 Review and approve formal reports or letters to be submitted to the external auditor.
 - 2.4.2 Provide an independent forum for (external and/or internal resources) auditors to report findings or difficulties encountered during the audit.
 - 2.4.3 Review the auditors' report of findings and recommendations with management and the auditor.
 - 2.4.4 Review the CAFR in its entirety, including unaudited sections and letters.
 - 2.4.5 Follow -up on any corrective action identified.
 - 2.4.6 Submit a written annual Audit Committee Report to the District's Board of Trustees in conjunction with the presentation of the annual audit.
 - 2.4.7 Assess the performance of the independent auditors.
- 2.5 Review the financial statements; quarterly and annually for fair and accurate reporting.
 - 2.5.1 Review any changes in accounting policy.
 - 2.5.2 Ensure accounting policies are followed.
 - 2.5.3 Review any off-balance sheet financings.
- 2.6 Review the framework of internal controls; ensuring management establishes, implements and reviews internal controls on a regular basis for functionality and effectiveness.



**Accounting, Auditing, and Financial Reporting
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- 2.6.1 Review the annual internal control audit plan(s).
- 2.6.2 Review management's annual assessment of their internal controls for prior year's audit plan.
- 2.6.3 Evaluate management's identification of fraud risks, ensure the implementation of anti-fraud measures and that management is setting the tone at the top that fraud will not be accepted in any form.
- 2.6.4 The Committee may identify a need to engage an external Internal Auditor to address a specific area of concern.
 - 2.6.4.1 The Committee will review and approve or modify Management's proposal for the scope of work and selection of the resource.
 - 2.6.4.2 Management is responsible for engaging the resource to perform the scope of work and overseeing contract deliverables.
 - 2.6.4.3 Management will have the responsibility for implementation of identified internal control changes or enhancements.
 - 2.6.4.4 Management will report the findings and resolutions to the Committee.
- 2.7 Periodically review the District's code of conduct that promotes honest and ethical conduct; full, fair, accurate, timely, and understandable disclosure in periodic reports; and compliance with applicable policies to ensure it is adequate and up-to-date.
- 2.8 To review and refine as necessary the procedures for the receipt, retention, and treatment of complaints received by the District, from the public or anonymous submissions by employees of the District, regarding accounting, internal accounting controls, auditing matters, or suspected fraud.
 - 2.8.1 Review and refine as needed the procedures for educating employees on their individual role in ensuring the District's financial integrity.
 - 2.8.2 Ensure employees of the District have an anonymous method for concerns to be submitted.
 - 2.8.3 Publicize the means for the public and employees to submit concerns to the Audit Committee.



Accounting, Auditing, and Financial Reporting
Audit Committee
Policy 15.1.0

2.8.4 Review any submissions received, monitor the status of all submissions, ensure their timely resolution, and the document handling or disposition.

2.9 The Audit Committee is to submit an annual report to the Board of Trustees assessing the results of its fulfillment of its duties and responsibilities.

3.0 Meetings

3.1 Meetings are to be conducted in accordance with the state's Open Meeting Law NRS 241. The Board of Trustees will be emailed a copy of the meeting minutes. Meeting minutes will be posted on the District website.

3.2 The committee will hold meetings at a minimum of once per quarter. All members are expected to attend on a regular basis.

3.3 Review correspondence to determine if any action is to be taken. If needed, assign the responsibility to investigate and resolve the concern/question to the appropriate organizational leader. Communicate with the submitter, if known, regarding their submitted concern.

3.4 Review all past correspondence with action outstanding. Ensure responses and/or corrective action is taken in a timely manner.

3.5 The committee may ask members of management or others to attend meetings and provide pertinent information as necessary.

3.6 The committee Chair shall establish the agenda for meetings and provide all briefing materials to members and the public in advance.

3.7 An annual meeting is to be held with the independent external auditors, the General Manager, the Director of Finance, legal counsel and anyone else as desired by the Committee to review the audited annual financial statements including the Comprehensive Annual Financial Report (CAFR) and the auditor's letter of findings.



BEST PRACTICES

Internal Control Environment

Governments should demonstrate a commitment to the framework, assume responsibility for overseeing internal control, develop organization structures and accountability, commit to attracting and retaining competent employees, and hold individuals accountable.

In its *Establishing a Comprehensive Framework for Internal Control (Framework)* best practice, GFOA recommended that state, provincial, and local governments adopt the Committee of Sponsoring Organizations' (COSO) *Internal Control—Integrated Framework* (2013) as their conceptual basis for designing, implementing, operating, and evaluating internal control so as to provide reasonable assurance that they are achieving their operational, reporting, and compliance objectives. To support governments' efforts in this area, GFOA is developing best practices that explain how to implement each of the five components of that framework. This best practice focuses on the first of those five components, the control environment, which the COSO has defined as a set of standards, processes, and structures that provide the basis for carrying out internal control.

GFOA recommends that governments do all of the following to establish a strong internal control environment:

1. The governing body, upper level management, and all levels of staff throughout the organization should demonstrate a commitment to the framework, as follows:
 - a. Officially adopt the framework (governing body);
 - a. Adopt a policy to incorporate the implementation, maintenance, and updating of the framework into the government's strategic goals (governing body);
 - b. Develop standards of conduct for employees and provide training on those standards;
 - c. Require management and employees to sign a statement that they will follow the standards of conduct and to reaffirm that commitment periodically; and

- d. Include compliance with standards of conduct as part of employee evaluations to ensure accountability.
2. The governing body should assume responsibility for overseeing internal control by:
 - a. Actively overseeing management's development and implementation of the framework;
 - b. Actively monitoring the performance of the framework;
 - c. Obtaining training about the nature and purpose of internal control sufficient to allow members of the governing body to meaningfully perform their oversight function with the assistance of an expert;
 - d. Obtaining expert advice, independent of management, to help it perform its oversight function if no member of the audit committee possesses that expertise;
 - e. Establishing an audit committee made up of members of the governing body;
 - f. Documenting that it has reviewed the framework and its updates;
 - g. Approving significant control-related policies; and
 - h. Determining how often policies and procedures need to be reviewed, reaffirmed, and updated.
 3. Management should develop organizational structures and ensure staff accountability by:
 - a. Creating a formal organizational chart for both the government as a whole and for each of its departments;
 - b. Requiring written procedures for important government processes (for example, payroll);
 - c. Developing flowcharts of each significant process;
 - d. Maintaining electronic copies of process flowcharts to facilitate updating;
 - e. Identifying responsibilities for workflow approvals in their systems; and
 - f. Making sure systems incorporate compensating controls.
 4. Governments should commit to attracting and retaining competent employees by:
 - a. Developing comprehensive job descriptions;
 - b. Ensuring that hiring panels include experts in the desired skill sets;
 - c. Providing opportunities for employees to gain continuing professional education to stay current in their field;
 - d. Encouraging membership in professional organizations to develop networking;
 - e. Supporting the development of succession planning;

- f. Cross-training staff;
 - g. Thoroughly documenting the responsibilities of each position and appropriate processes for succession planning;
 - h. Providing managerial training, in addition to technical training, for staff members who will be promoted;
 - i. Requiring that supervisors give staff members hands-on training on key responsibilities; and
 - j. Developing an ongoing mentoring program to enhance employees' skills.
5. Governments should hold individuals accountable for their internal control responsibilities by:
- a. Preparing comprehensive, fact-based performance appraisals;
 - b. Providing performance appraisals on a timely basis;
 - c. Taking disciplinary action if conduct is not consistent with expected performance;
 - d. Including internal control goals as part of employee performance reviews;
 - e. Identifying zero-tolerance policies (e.g., theft) and adhering to them; and
 - f. Ensuring that union agreements clearly delineate responsibilities up front.

Notes:

- 1. If the governing body is elected, rather than appointed, the term *governing body* would apply to both members of the governing body and the elected officials to whom they report

This best practice was previously titled Framework for Internal Control: The Control Environment.

Board approval date: Friday, January 22, 2016



BEST PRACTICES

Audit Committees

Establish audit committees, made up of appropriate audit committee members, that are responsible for review, oversight, establishing procedures, and providing a written report.

Three main groups are responsible for the quality of financial reporting: the governing body,¹ financial management, and the independent auditors. Of these three, the governing body must be seen as first among equals because of its unique position as the ultimate monitor of the financial reporting process.² An audit committee is a practical means for a governing body to provide much needed independent review and oversight of the government's financial reporting processes, internal controls, and independent auditors. An audit committee also provides a forum separate from management in which auditors and other interested parties can candidly discuss concerns. By effectively carrying out its functions and responsibilities, an audit committee helps to ensure that management properly develops and adheres to a sound system of internal controls, that procedures are in place to objectively assess management's practices, and that the independent auditors, through their own review, objectively assess the government's financial reporting practices.³

GFOA makes the following recommendations regarding the establishment of audit committees by state and local governments:

- The governing body⁴ of every state and local government should establish an audit committee or its equivalent;
- The audit committee should be formally established by charter, enabling resolution, or other appropriate legal means and made directly responsible⁵ for the appointment, compensation, retention, and oversight of the work of any independent accountants engaged for the purpose of preparing or issuing an independent audit report or performing other independent audit, review, or attest services.⁶ Likewise, the audit committee should be established in such a manner that all accountants thus engaged report directly to the audit committee. The written documentation establishing the audit committee should prescribe the scope of the committee's responsibilities, as well as its structure, processes, and membership

requirements. The audit committee should itself periodically review such documentation, no less than once every five years, to assess its continued adequacy;⁷

- Ideally, all members of the audit committee should possess or obtain a basic understanding of governmental financial reporting and auditing.⁸ The audit committee also should have access to the services of at least one financial expert, either a committee member or an outside party engaged by the committee for this purpose. Such a financial expert should through both education and experience, and in a manner specifically relevant to the government sector, possess 1) an understanding of generally accepted accounting principles and financial statements; 2) experience in preparing or auditing financial statements of comparable entities; 3) experience in applying such principles in connection with the accounting for estimates, accruals, and reserves; 4) experience with internal accounting controls; and 5) an understanding of audit committee functions;⁹
- All members of the audit committee should be members of the governing body. To ensure the committee's independence and effectiveness, no governing body member who exercises managerial responsibilities that fall within the scope of the audit should serve as a member of the audit committee;
- An audit committee should have sufficient members for meaningful discussion and deliberation, but not so many as to impede its efficient operation. As a general rule, the minimum membership of the committee should be no fewer than three;¹⁰
- Members of the audit committee should be educated regarding both the role of the audit committee and their personal responsibility as members, including their duty to exercise an appropriate degree of professional skepticism;
- It is the responsibility of the audit committee to provide independent review and oversight of a government's financial reporting processes, internal controls and independent auditors;¹¹
- The audit committee should have access to the reports of internal auditors, as well as access to annual internal audit work plans;
- The audit committee should present annually to the full governing body a written report of how it has discharged its duties and met its responsibilities. It is further recommended that this report be made public and be accompanied by the audit committee's charter or other establishing documentation;
- The audit committee should establish procedures for the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls, or auditing matters. Such procedures should specifically provide for the confidential, anonymous submission by employees of the government of concerns regarding questionable accounting or auditing matters.¹² The audit committee also should monitor controls performed directly by senior management, as well as controls designed to prevent or detect senior-management override of other controls¹³;

- The audit committee should be adequately funded and should be authorized to engage the services of financial experts, legal counsel, and other appropriate specialists, as necessary to fulfill its responsibilities¹⁴; and
- In its report to the governing body, the audit committee should specifically state that it has discussed the financial statements with management, with the independent auditors in private,¹⁵ and privately among committee members,¹⁶ and believes that they are fairly presented, to the extent such a determination can be made solely on the basis of such conversations.

Notes:

1. For the purposes of this recommended practice, the term "governing body" should be understood to include any elected officials (e.g., county auditor, city controller) with legal responsibility for overseeing financial reporting, internal control, and auditing, provided they do not exercise managerial responsibilities within the scope of the audit. The term governing body also is intended to encompass appointed bodies such as pension boards.
2. *Report and Recommendations of the Blue Ribbon Committee on Improving the Effectiveness of Corporate Audit Committees*, Overview and Recommendations.
3. Securities and Exchange Commission (SEC) Regulation 33-8220, Background and Overview of the New Rule and Amendments. ☒
4. For the purposes of this recommended practice, the term "governing body" should be understood to include any other elected officials (e.g., county auditor, city controller) with legal responsibility for overseeing financial reporting, internal control, and auditing, provided they do *not* exercise managerial responsibilities within the scope of the audit. The term "governing body" also is intended to encompass appointed bodies such as pension boards.
5. Nothing in this recommended practice should be interpreted so as to limit the full governing body from exercising ultimate authority.
6. Sarbanes Oxley Act, Section 301.
7. *Report and Recommendations of the Blue Ribbon Committee on Improving the Effectiveness of Corporate Audit Committees*, Recommendation 4.
8. *Report and Recommendations of the Blue Ribbon Committee on Improving the Effectiveness of Corporate Audit Committees*, Recommendation 3. Continuity typically is a positive factor in achieving this goal, a fact that should be kept in mind when considering the appropriate length of service for audit committee members.

9. Sarbanes-Oxley Act, Section 407.
10. In certain limited instances, as noted later, the audit committee will need to meet privately to achieve its goals. If the audit committee constitutes a majority of the governing body, such private meetings may be hampered by sunshine laws and similar open meetings legislation.
11. SEC Regulation 330-8220, Background and Overview.
12. Sarbanes Oxley Act, Section 301.
13. *Internal Control Integrated Framework: Guidance on Monitoring Internal Control Systems* (Discussion Document of the Committee of Sponsoring Organizations COSO, 2007), page 10.
14. Nothing in this recommended practice should be interpreted so as to limit the full governing body from exercising ultimate authority.
15. It is important that the audit committee be able to meet privately with the independent auditors, as needed, to ensure a full and candid discussion. Governments are urged to amend sunshine laws and similar open meetings legislation to permit such encounters in these limited circumstances.
16. It is important that audit committee members be able to meet privately among themselves, as needed, to ensure a full and candid discussion. Governments are urged to amend sunshine laws and similar open meetings legislation to permit such an encounter in these limited circumstances.

Board approval date: Friday, October 17, 2008

MEMORANDUM

TO: Board of Trustees

FROM: Tim Callicrate
Board of Trustees Chairman

THROUGH: Indra Winquest
District General Manager

Susan A. Herron
District Clerk

SUBJECT: Audit Committee: Discuss and possibly appoint a Trustee to the Audit Committee

DATE: September 2, 2021

I. RECOMMENDATION

It is recommended that the Board of Trustees consider and possibly take action to appoint a Board Trustees to fill a current Trustee vacancy on the Audit Committee.

II. BACKGROUND

Existing Board Policy 15.1.0: Accounting, Auditing and Financial Reporting: Audit Committee; Organization, provides as follows:

Annually, the Board of Trustees will appoint two Trustees to be voting members. Appointing Trustees to serve successive years increases the consistency and allows for knowledge retention. In the event a Trustee is removed or resigns, the Board of Trustees shall appoint a new member to the committee.

At the Board meeting of June 9, 2022, an agenda item was considered to appoint two Board of Trustee members to the Audit Committee. While the Board appointed Trustee Schmitz to a new one-year term, Trustee Dent expressed his desire to not be re-appointed for a new term. No Trustee was appointed, at that time, to fill the vacancy created by Trustee Dent's resignation.

This agenda item has been prepared so that the Board of Trustees may consider, and possibly take action, to fill the current Trustee vacancy on the Audit Committee. It is assumed that the term of any Trustee appointment would be for a one-year term, unless specified otherwise by the Board or the terms for Trustee appointments is modified through pending Board review of Board Policy 15.1

MINUTES

REGULAR MEETING OF AUGUST 10, 2021 Incline Village General Improvement District

The regular meeting of the Board of Trustees of the Incline Village General Improvement District was called to order by Chairman Tim Callicrate on Tuesday, August 10, 2021 at 6:00 p.m. This meeting was conducted at the Chateau, 955 Fairway Boulevard, Incline Village, Nevada.

A. PLEDGE OF ALLEGIANCE*

The pledge of allegiance was recited.

B. ROLL CALL OF TRUSTEES*

On roll call, present were Trustees Tim Callicrate, Matthew Dent, Sara Schmitz, Michaela Tonking and Kendra Wong.

Members of Staff present were Director of Finance Paul Navazio, Director of Public Works Brad Underwood, Director of Human Resources Erin Feore, General Manager Diamond Peak Ski Resort Mike Bandelin, Director of Information Technology Mike Gove, and Controller Marty Williams.

Members of the public present were Steve Dolan, Denise Davis, Cliff Dobler, Aaron Katz, Judith Miller, and others.

C. INITIAL PUBLIC COMMENTS*

Aaron Katz said he has several written statements to be included with the minutes of the meeting. He would like to talk about the proposed contract with Tri-Strategies for legislative advocacy, he urges the Board to vote no. Here is a prime example, under NRS 318, where the Board can tell him where you can spend public money for these services. If you cite implied power, doesn't Dillon's rule say that a public agency has no business exercising the power? If there is any question, then you don't have the power. Go and take a look at the other 84 GID's to see if they hire State legislative advocates, the answer is zero, they don't. When the answer is no one else is doing, it is suggesting you probably don't have the power. It will be over \$100,000 spent in advocacy services and don't we have better things to spend this money on? Another bit of a complaint, he has learned that the General Manager had a meeting on July 9 with the Washoe County Manager about managing their own parks so did you or didn't you have this meeting as he would like to hear?

Judith Miller said it has been awhile and that it is good to see you. She thinks that the Audit Committee has done an outstanding job in putting together the

whistleblower policy and many, many other accomplishments and therefore they deserve to be congratulated. Hope you will fill the vacancies and do so in short order. She thinks that the punch card has worked out very well this summer and that could be due to the pool not being open. It is still chaotic at Ski and Incline Beach and she hopes that the General Manager's Ordinance 7 Committee will find a way to set a guest limit as she doesn't want to see someone take out their credit card and bring in 50 people. The other thing she wants to mention again is that sometimes IVGID doesn't realize it is a public agency as she sees signs and it makes her wonder if we have a good idea of what a public agency can do and can't do. It was pretty surprising to see the signs about no trespassing on public property/trails. Yes, IVGID does need to protect our property and assets. Finally, she noticed on the website that there is a list of vendors that IVGID is recommending. We can have a list but IVGID just shouldn't be recommending.

Cliff Dobler said this summer he spent a lot of time at the Recreation Center taking a lot of yoga classes from some of ladies and his golf game has improved; don't cancel the yoga classes. We have three things that have come up – Raftelis report – really wrong that the report contained that the Utility Fund had all this money and wasn't properly done. It is really in a hole as it has money that is restricted and before a report is brought to the Board, Management should really check it as the Board has enough stuff here. Management should be checking that report for accuracy. Another really important item is his memorandum of August 2 regarding the issuance of the contracts on the Burnt Cedar pool. Take a hard look at that document as you are in violation of the law because you can't issue contracts in excess of available resources. You can't issue a contract in advance of the having the money so he would like the Board to take a hard look at the August 2 memorandum because we didn't have money to do that. On the five-year capital improvement plan, it should be all the capital improvements that are planned.

D. APPROVAL OF AGENDA (for possible action)

Trustee Tonking asked that General Business Item I.5. be removed from the agenda until the Board has a chance to look at Policy 15.1.0. Trustee Schmitz asked if we had to vote on this as she would like to allow it to go forward as it is something that is helpful to the District and while there is a component of Policy 15.1.0, she would suggest that it be allowed to remain on the agenda. Chairman Callicrate said that we will take a vote and asked who was in favor of removal – Trustees Wong, Tonking and Callicrate voted in favor of removal. Board Chairman Callicrate then asked who was in favor of it remaining – Trustees Schmitz and Dent voted in favor of the item remaining. General Business Item I.5. was remove, in its entirety, from the agenda. Chairman Callicrate said it will come back at a future meeting.

E. DISTRICT GENERAL MANAGER UPDATE (for possible action)

District General Manager Winquest went over his submitted report with the following highlights:

- ✓ In response to Ms. Miller's public comments, we had been notified, by Washoe County Sheriff's Office and the North Lake Tahoe Fire Protection District (NLTFPD), of illegal camping and use on our properties. As everyone is aware, NLTFPD has deep concerns about fire and that is why Staff posted signs. He did receive several complaints about those signs, he made a decision to remove some of those signs, and left those on our public works sites. There will be some areas where there will be some signage about use of properties. We have found unauthorized trails built on our property and then uploaded to websites, again unauthorized, that we will have to decommission and that will cost the District money.
- ✓ In response to Mr. Katz' public comment, yes, he did meet with Washoe County and IVGID has submitted an invoice to Washoe County and they are going to pay for the past two years and he has initiated dialogue on the East/West parks and that interlocal agreement. We have been told that the payment has been approved and he will update the Board once payment has been received as well as an update on various interlocal agreements. He has been updating the Board on this actions but not the community.
- ✓ The General Manager's Ordinance 7 Committee met last week and we discussed some of the data that was shared. Staff is working to get the committee more information and we will be meeting again this Thursday. The committee has been sent all the comments, that same information has been distributed to the Board, and it will be posted to the website soon. He is in the process of drafting baseline recommendations that the committee will be reviewing. Finally, as a reminder to the community, the committee is not making decisions rather recommendations are going to the Board of Trustees who will make the decisions.
- ✓ District Strategic Plan – Staff is working on that document; it is scheduled to be on the agenda for the next meeting.
- ✓ United States Forest Service parcel across from the high school – Staff expects to receive next level direction in a month or so.

Trustee Schmitz asked if the District General Manager has talked to Washoe County about the costs related to the dog parks? District General Manager Winquest said yes, and that he has discussed it with both the Assistant County Manager and our Commissioner. He has made it very clear that they provide these services elsewhere and we had that dialogue in a larger conversation about

community support funding. Trustee Schmitz asked if you have a plan on how to deal with the rising fuel costs? District General Manager Winquest said Staff is focusing on that and that is a conversation we will have during the next budget cycle. Staff is trying to be more efficient with our usage and he hasn't thought about it a whole lot but it is on our radar.

F. REVIEW OF THE LONG RANGE CALENDAR (for possible action)

District General Manager Winquest said the next meeting is scheduled for August 25 and that District General Counsel cannot attend a meeting on the fourth Wednesday of the month so we need to move to either Tuesday or Thursday – his preference is later in the week; prefer not on Monday. After checking with the Board, Chairman Callicrate said Tuesday, August 24 is the date. District General Manager said that the scope of work for Dillon's Rule will be added to the long range calendar however he doesn't know for sure when that will be coming forth. Trustee Dent asked if an agenda item could be added to the August 24 agenda for the appointment of a Trustee to the Audit Committee. Trustee Schmitz asked about the Tyler project and said that the Board hasn't received an update; District General Manager Winquest said that he will work with the team to get that added to the General Manager's report. Trustee Wong said that she has a conflict on Wednesdays for the balance of the year. Trustee Schmitz said that there are a number of different contracts that the Board should review some things such as coverage as we didn't do the other part of the policy so she would ask that Staff help us with this and place these items on the Board's long range calendar. District General Manager Winquest said that he and the District Clerk will work on that item.

G. REPORTS TO THE BOARD*

G.1. Verbal report regarding the Audit Committee Meeting of August 10, 2021 (Audit Committee Chairman Raymond Tulloch)

Audit Committee Chairman Raymond Tulloch said that the Audit Committee are short two members, that he would urge the Board of Trustees to treat that as a priority, and noted that Mr. Nolet has withdrawn from consideration so he will leave that with the Board for the moment. The Audit Committee had an update from Davis Farr, it was a good update and there were a few questions raised to be followed up on; everything is moving forward very well. The Audit Committee got an update on internal controls – there is still a lot of work to be done and there was a very lively debate over it. Former Audit Committee At-Large Member Aaron was the liaison and he (Audit Committee Chairman Tulloch) has agreed to step in as the temporary

liaison. On Policy 15.1.0, we ran short of time thus we are planning on holding a special Audit Committee meeting to get that to the Board and he will work with District Clerk to schedule that meeting. There was an inquiry from Mr. Dobler regarding investments and Controller Williams and Mr. Dobler will get together to get that item cleared off. The Audit Committee has a number of items for their long range calendar which he needs to put together. Trustee Schmitz said that Staff has identified that investment earnings had not yet been done to credit the earnings to the effluent pipeline project and Staff will make that adjustment/do that credit.

G.2. Treasurers Report (*for possible action*)

G.2.A. Payment of Bills (*for possible action*) (Requesting Trustee: Treasurer Michaela Tonking)

Treasurer Tonking went over the checks and that work continues to Moss Adams. Trustee Schmitz said that she knows that changes have been made to procurement cards and asked if Treasurer Tonking noted a change. Treasurer Tonking said she knows that those have improved but that she will review and get back to the Board.

G.3. Nevada League of Cities Verbal Report (Requesting Trustee: Treasurer Michaela Tonking)

Treasurer Tonking said that the annual conference is being held in Sparks on August 26 – August 28 and that they have asked for recommendations on State legislation so that can be sent on to the conference. Infrastructure bill has been passed and there is a lot of money allocated to water, etc. and we have spoken to the lobbyist for Nevada League of Cities and that is on his radar.

G.4. 4th Quarter and end-of-the-year Investment Report (Requesting Staff Member: Director of Finance Paul Navazio)

Director of Finance Navazio went over the submitted report. Trustee Schmitz said on agenda packet page 21, there is a total of \$19 million but on agenda packet page 18 it says we have a total of \$45 million so she is curious about that discrepancy. Director of Finance Navazio explained that agenda packet page 18 is the total and agenda packet page 21 is the investment account with Wells Fargo Securities. Trustee Schmitz said on agenda packet page 18, LGIP Public Works is at \$4.4 million which is a decrease by \$600,000 - where is the rest of the effluent pipeline money? Director of Finance Navazio

said it is all of the above, past practice has been to maintain \$5 million in the State Treasurer's account and that the decrease is because of a bond payment. The money for the pipeline, for this year, is still in the bank account and there is a portion in the State Treasurer's account and that there is no single account where it is held. Trustee Schmitz said so Public Works doesn't have its own separate account in Wells Fargo? Director of Finance Navazio said no.

G.5. District General Counsel Joshua Nelson's verbal report on IVGID v. Mark Smith litigation

District General Counsel Nelson said that the court appointed a special master to review documents and the special master determined that a number of the documents weren't privileged, an objection was filed, and the court has determined that they were not privileged; his firm is in the process of providing those e-mails. The Board of Trustees approved the special master payment and it was conditioned on receiving an accounting of those charges and Mr. Sharp has declined that request and he is filing a motion to compel payment and we will file an objection as we need that detail in order to understand how the public's money is being paid.

H. CONSENT CALENDAR (for possible action)

H.1. Review, discuss, and possibly authorize a procurement contract for Snowmaking Fan Guns; 2021/2022 Capital Improvement Project; Fund: Community Services; Program: Ski; Project #3464SI1002; Vendor: TechnoAlpin USA Inc., in the amount of \$122,600.00 (Requesting Staff Member: General Manager Diamond Peak Ski Resort Mike Bandelin)

H.2. Review, discuss and possibly approve a procurement contract for the manufacturing and delivery of a replacement Surface Lift; 2021/2022 Capital Improvement Project; Fund: Community Services; Program: Ski; Project #3467LE1703; Vendor: Star Lifts USA, in the amount of \$55,565.00 (Requesting Staff Member: General Manager Diamond Peak Ski Resort Mike Bandelin)

H.3. Annual Report to Board of Trustees from Audit Committee (Submitted by Audit Committee Chairman Raymond Tulloch)

Trustee Schmitz asked if the contracts been modified to meet General Counsel's requirements? District General Counsel Nelson said yes and he

will make sure that General Manager Diamond Peak Ski Resort Bandelin reviews as well. Trustee Schmitz said that the Audit Committee submission has one minor correction to the report, on agenda packet page 92, 2.6.3., it should be corrected to Not Completed.

Trustee Wong made a motion to approve the Consent Calendar with the revision to the Audit Committee submission as noted. Trustee Tonking seconded the motion. Chairman Callicrate called the question and the motion was passed unanimously.

I. GENERAL BUSINESS (for possible action)

I.1. Review, discuss and possibly approve:

- A. Sole Source Finding**
- B. Procurement Contract for a Replacement Ski Lift Haul Rope – 2021/2022 Capital Improvement Project; Fund: Community Services; Division: Ski; Project # 3462HE1711; Vendor: Fatzer LTD. in the amount of \$71,293.59**
- C. Procurement Contract for a Replacement Ski Lift Haul Rope Services – 2021/2022 Capital Improvement Project; Fund: Community Services; Division: Ski; Project # 3462HE1711; Vendor: Wire Rope Services in the amount of \$24,600.**
- D. Budget augmentation of \$100,000 for CIP Project # 3462HE1711 (Lodgepole Ski Lift Maintenance and Improvements) - Ski Fund (340) from available Community Services Fund (Fund 300) reserves, to support total project costs**
- E. Staff to execute all purchase documents based on a review by Legal Counsel and Staff**

(Requesting Staff Member: General Manager Diamond Peak Ski Resort Mike Bandelin)

General Manager Diamond Peak Ski Resort Mike Bandelin gave an overview of the submitted materials. Board Chairman Callicrate said this work has to be done. General Manager Diamond Peak Ski Resort Bandelin said we have already had a site visit from the District's insurance carrier and we are awaiting a response from them. Trustee Schmitz said she was unclear - this estimate is going to go down or is this insufficient? General Manager Diamond Peak Ski Resort Bandelin said that amount includes the

amount for delivery of the haul rope. Trustee Schmitz said so you misunderstood something? General Manager Diamond Peak Ski Resort Bandelin said the shipping is EXW which is a different term and it means the buyer pays the freight. Trustee Schmitz said so how much is the reduction? General Manager Diamond Peak Ski Resort Bandelin said that the amount includes shipping and delivery so no change. Trustee Tonking said for the 32 week lead time, is it now closer to 16 weeks? General Manager Diamond Peak Ski Resort Bandelin said that is our hope and tomorrow he will have that real conversation with the vendor on scoping out the project.

Trustee Wong made a motion to make the following sole source finding:

IVGID's purchase of a replacement Lodgepole Ski Lift Wire Rope from Fatzer LTD. is exempt from competitive bidding for the following reasons:

1. This purchase is from the result the occurrence of a disaster, including but not limited to, fire, flood, hurricane, riot, power outage or disease (NRS 332.112.1.a). The proposed purchase is a result of an electrical discharge associated with lightning in the vicinity of the ski lift.
2. May lead to impairment of the health, safety or welfare of the public if not immediately attended to (NRS 332.112.1.b). The Wire Rope Service inspection report #21213 dated July 15, 2021 stated (It is highly recommended to replace the entire Lodgepole haul rope immediately).
3. This purchase is for items which may only be contracted from a sole source (NRS 332.115.1.a). Fatzer LTD. provided a manufacturing and delivery date of the wire rope that may meet the required date for installation where as other manufacturer contacted were unable to meet the desired delivery date.
4. The equipment proposed for purchase, by virtue of the training of the personnel or of any inventory of replacement parts maintained by the local government is compatible with existing equipment (NRS 332.115.1.d). Diamond Peak's ski lift system use of wire ropes is predominantly Fatzer LTD.

Trustee Dent seconded the motion. Board Chairman Callicrate asked for further comments, none were received, so the question was called – the motion was passed unanimously.

Trustee Wong made a motion to authorize a procurement contract with Fatzler LTD. In the amount of \$71,293.; authorize a procurement contract with Wire Rope Services in the amount of \$24,600.; authorize a budget augmentation of \$100,000 for CIP Project # 3462HE1711 (Lodgepole Ski Lift Maintenance and Improvements) Ski Fund (340) from available Community Services Fund (Fund 300) reserves, to support total project costs and authorize Staff to execute all purchase documents based on a review by Legal Counsel and Staff.

Trustee Dent seconded the motion. Board Chairman Callicrate asked for further comments, none were received, so the question was called – the motion was passed unanimously.

I.2. Review, discuss and possibly approve a contract with Tri-Strategies, Ltd. to provide legislative advocacy services in the not to exceed amount of \$20,000.00 (Requesting Staff Member: District General Manager Indra Winqest)

District General Manager Winqest gave an overview of the submitted materials and stated that Mr. Ableser is here to answer any questions that the Board may have. Trustee Tonking said, regarding Mr. Katz' public comment, she does know that there are two other GID's that utilize lobbyists; and asked if we will work with others so we can get the most unrestricted funds? Mr. Ableser said that the Governor is on a 45-stop listening tour and that he has very specific listening stops so what we want to do is to maximize your voice on this tour. There is specifically \$2.6 billion dollars that is in the bank right now and along with that Washoe County received in ARAP funds and then coordinate with Mr. Faust as there are three different pots and those pots are dedicated to agencies like ours and he would encourage involvement in all three of those pots. Aside from that, the State has Beautification USA funds that we hope to take advantage of.

Trustee Tonking made a motion to approve the attached contract with Tri-Strategies for legislative advocacy services in the not to exceed amount of \$20,000.00 Trustee Wong seconded the motion.

Trustee Schmitz said we have different needs at different times and that she would like to have a little more clarity on what we are spending it on and that

it would behoove us to do it at an hourly rate which she is more inclined to go with. District General Manager Winquest said this is a very good point made here and that is do we have the ability to move to a monthly retainer or increase the contract if we are spending more hours? District General Counsel Nelson said an amendment to the contract would need to be approved by the Board. Board Chairman Callicrate said that sounds good to him and when we get close to the limit, we would have to increase the contract. Trustee Dent said he feels it would be wiser to go with the monthly rate and they will be burning through hours especially with their attendance at the Board meetings. Trustee Tonking said she agrees and that we will be burning through those hours so she is 100% with Trustee Dent. District General Manager Winquest said what worries him about going with an hourly rate is spending a lot of time with getting direction.

Trustee Tonking amended her motion to include using Fee Schedule – Option 1 (\$3,000 per month) and restated her motion as follows:

Trustee Tonking made a motion to approve the attached contract with Tri-Strategies for legislative advocacy services in the not to exceed amount of \$20,000.00 using Fee Schedule – Option 1 (\$3,000 per month). Trustee Wong seconded the restated motion. Board Chairman Callicrate asked for further comments, none were received, so the question was called – the motion was passed unanimously.

I.3. Review, discuss, and possibly authorize Washoe County Roads Department to replace +/- 2,700 square feet of asphalt pavement damaged by a water line leak; Fund: Utility; Division: Water; Vendor: Washoe County Road Department in the amount of \$97,300. (Requesting Staff Member: Director of Public Works Brad Underwood)

Director of Public Works Underwood gave an overview of the submitted materials and noted that the District won't be paying for any work done on private property and that maybe, later in the year, we might need a budget augmentation. Trustee Schmitz said she wants clarification – neither Washoe County or IVGID will be taking responsibility for repairing the hydronic system? Director of Public Works Underwood said yes, that is correct.

Trustee Wong made a motion to review, discuss, and possibly authorize Washoe County Roads Department to replace +/- 2,700 square feet (SF) of asphalt pavement damaged by a water line leak. Fund: Utility;

Division: Water Distribution (200-22-240-7520); Vendor: Washoe County Road Department in the amount of \$97,300. and authorize Staff to pay the invoice upon receipt and verification of work. Trustee Tonking seconded the motion. Board Chairman Callicrate asked for further comments, none were received, so the question was called – the motion was passed unanimously.

I.4. Review, discuss and potentially adopt Policy 20.1.0 regarding Board correspondence (Requesting Staff Member: Joshua Nelson; Requesting Trustee: Board Chairman Tim Callicrate)

Trustee Schmitz said that sometimes all of us hear answers to public inquiries, so one of her questions is do we have the ability to post responses and would posting responses be potential helpful? She didn't see anything in here that would allow or permit responses to be posted. District General Counsel Nelson said yes, the current policy doesn't include provision but it is certainly something that the Board could include. Board Chairman Callicrate said it is a valid opportunity to work that in. Trustee Schmitz said that she thinks it would be really helpful because maybe people don't have the correct information and District General Manager Winquest will help all of us understand so she thinks it is really important that everyone have that same level of clarity. Trustee Wong said regarding that suggestion, we need to define some very clear guidelines as to what we will respond to and what we won't because she thinks that the entire Board can agree that we get some pretty ridiculous requests from community members and she doesn't want our Staff to feel obligated to have to chase down some of the most ridiculous comments and to one, attempt to understand what they are saying and two, respond them. District General Counsel Nelson said he thinks it would be helpful to include that and some general direction from the Board on which correspondence you would like us to respond to would also be helpful. It could be something as simple as leaving as is and in the current language regarding responses if the Board is comfortable with that general direction and then simply adding a sentence to the end of that paragraph which reads something like "...responses to correspondence, if any, shall be included in the next correspondence..." so if we do respond it is included in the next version so the public can see that. Board Chairman Callicrate said it is broad enough and gives leeway and to Trustee Wong's point – point well taken. Trustee Schmitz said she has one more question for District General Counsel and that is that sometimes we hearing things during public comment that we are trying to squelch people's freedom of speech or what have you so her only question for you, from a legal perspective, is right in the middle of the page where it says "The District reserves the right..." does

this language effectively protect us enough such that this acquisition could not be made. District General Counsel said yes, absolutely, and those categories are intentionally chosen because those are categories of speech that the courts do not provide First Amendment protections and he briefly went over the categories. Trustee Tonking asked if District General Counsel Nelson would be looking at the ones in categories just mentioned and would you be the final decision maker on that. District General Counsel Nelson said no, he would not be the final decision maker however it would be the Chair, General Manager and Counsel, in collaboration, and, in all cases, it would be forwarded to the Board. Board Chairman Callicrate said when one of us receives correspondence, it means all of us receives it, and it is taken very seriously. District General Counsel Nelson said we receive some pretty profane and personal e-mails, none of those or very few rise to the level of defamation so we are not taking it lightly. Trustee Wong said she would like to define the perimeters about responses as she doesn't feel that we have spent enough time discussing them here. She is fine with amending it but she wants this discussed. Board Chairman Callicrate said he thought our legal counsel had put that in towards the end. District General Counsel Nelson said we can leave the current language on agenda packet page 142, paragraph 4 as is, so that means that we would generally not respond to correspondence and then let the individual Board members respond if they wanted to and include that in the next posting and then refer short, factual responses and then the authorized by the District General Manager detailed ones would be included in the Correspondence posting. Add one sentence - responses to correspondence, if any, shall be included in the next correspondence posting.

Trustee Wong made a motion to adopt Policy 20.1.0 entitled Correspondence to the Board of Trustees with the amendment as discussed tonight. Trustee Dent seconded the motion. Board Chairman Callicrate asked for further comments, none were received, so the question was called – the motion was passed unanimously.

I.5. Review, discuss, and potentially approve proposed Whistleblower Policy for Financial (Requested by Audit Committee Chairman Raymond Tulloch) *[Removed from the agenda in its entirety]*

J. MEETING MINUTES (for possible action)

J.1. Meeting Minutes of July 13, 2021

Chairman Callicrate asked for changes, District Clerk Herron said Trustee Schmitz had two small changes that were made and posted to the website. Chairman Callicrate said that the meeting minutes are approved as revised.

K. FINAL PUBLIC COMMENTS*

There were no public comments made at this time.

L. ADJOURNMENT (for possible action)

The meeting was adjourned at 7:45 p.m.

Respectfully submitted,

Susan A. Herron
District Clerk

Attachments*:

*In accordance with NRS 241.035.1(d), the following attachments are included but have neither been fact checked or verified by the District and are solely the thoughts, opinions, statements, etc. of the author as identified below.

Submitted by Aaron Katz:

1. Written statement to be included in the written minutes of this August 10, 2021 regular IVGID Board meeting – Agenda Item I(2) – Public Comments – Wake up Board members, nearly everything Staff do is stupid. And here is another example – using the Recreation Facility Fee (“RFF”) to pay for a lobbyist to advocate for/against Statewide legislation

2. Written statement to be included in the written minutes of this August 10, 2021 regular IVGID Board meeting – Agenda Item C – Public Comments – Wake up Board members, nearly everything Staff do is stupid. And here is another example – using the Recreation Facility Fee (“RFF”) to develop/maintain private property, and then preventing use of the trail by those whose properties are involuntarily assessed

3. Written statement to be included in the written minutes of this August 10, 2021 regular IVGID Board meeting – Agenda Item C – Public Comments – Wake up Board members, nearly everything Staff do is stupid. And here is another example – the giveaway of exclusive use of Village Green, on busy weekend days, during the middle of July, for a pittance of our costs

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS AUGUST 10, 2021 REGULAR IVGID BOARD MEETING – AGENDA ITEM I(2) – PUBLIC COMMENTS – WAKE UP BOARD MEMBERS. NEARLY EVERYTHING STAFF DO IS STUPID. AND HERE IS ANOTHER EXAMPLE – USING THE RECREATION FACILITY FEE (“RFF”) TO PAY FOR A LOBBYIST TO ADVOCATE FOR/AGAINST STATEWIDE LEGISLATION

Introduction: Here our General Manager (“GM”) asks the Board to approve another \$20K contract with Tri-Strategies, Ltd. to provide legislative advocacy services¹ notwithstanding the regular 2021 session has ended. Given the District has no power to exercise this power and the cost is being subsidized by the Recreation Facility Fee (“RFF”) involuntarily assessed against all non-exempt parcels/dwelling units within the District’s boundaries under the guise it pays for the availability to access and use the District’s recreation facilities, I object. And that’s the purpose of this written statement.

Given General Improvement Districts (“GIDs”) Are Not Forms of Government With General Powers, Their Powers Are *Strictly Limited*: We’ve had this discussion many times before, and now we were going to have it again. As a limited purpose special district, a GID’s powers are to be *strictly construed and limited*² to those provided by the Legislature³ as explicitly conferred by its County Board of Commissioners (“County Board”) in the GID’s initiating ordinance⁴, as supplemented if at all, by those “additional basic power(s) granted,”⁵ “sections of this chapter (NRS 318) designated therein,”⁶ and *none other*². So what basic powers has the Washoe County Board expressly granted to IVGID?

¹ See page 2 of the packet of materials prepared by staff in anticipation of the Board’s August 10, 2021 meeting [“the 8/102021 Board packet” (https://www.yourtahoeplace.com/uploads/pdf-ivgid/0810_-_Regular_-_Searchable__.pdf)].

² See A.G.O. No. 63-61, p. 102, at p. 103 (August 12, 1963) [go to https://ag.nv.gov/uploadedFiles/agnv.gov/Content/Publications/opinions/1963_AGO.pdf]; NRS 244.137(3).

³ See NRS 318.116.

⁴ See NRS 318.055(4)(b).

⁵ See NRS 318.077 which allows a GID “board (to) elect to add basic powers not provided in its formation, in which event the board shall cause proceedings to be had by the board of county commissioners similar, as nearly as may be, to those provided for the formation of the district, and with like effect.”

⁶ See NRS 318.055(4)(a).

IVGID's "initiating ordinance" granted the District the following basic powers: furnishing facilities for streets, alleys and public highways⁷; curbs and gutters⁸; sidewalks⁹; storm drainage and flood control¹⁰; sanitary sewerage¹¹; as well as water¹².

On March 5, 1964 the Washoe County Board supplemented these basic powers⁵ in the following particulars: allowing IVGID to furnish facilities for lighting public streets, ways and places¹³; and, to collect and dispose of garbage and refuse¹⁴.

On November 15, 1965 the Washoe County Board again supplemented these basic powers⁵ in the following particulars: allowing IVGID to furnish facilities for public recreation¹⁵ presumably for the benefit "of the inhabitants..of (Incline Village, Crystal Bay) and of the State of Nevada."¹⁶

And on May 5, 1969 the Washoe County Board again supplemented these basic powers⁵ in the following particulars: allowing IVGID to furnish facilities for electric light and power¹⁷.

Additionally, and "as supplemented by...sections of...chapter (NRS 318) designated therein,"⁵ IVGID may exercise the following powers: to operate, maintain and repair the improvements acquired by the district¹⁸; to furnish "services pertaining to any such basic power which the

⁷ See sec. 3(a) of Ordinance 97, Bill 57, as authorized by NRS 318.116(7).

⁸ See sec. 3(b) of Ordinance 97, Bill 57, as authorized by NRS 318.116(8).

⁹ See sec. 3(c) of Ordinance 97, Bill 57, as authorized by NRS 318.116(9).

¹⁰ See sec. 3(d) of Ordinance 97, Bill 57, as authorized by NRS 318.116(10).

¹¹ See sec. 3(e) of Ordinance 97, Bill 57, as authorized by NRS 318.116(11).

¹² See sec. 3(g) of Ordinance 97, Bill 57, as authorized by NRS 318.116(15).

¹³ See sec. 3(i) of Ordinance 97, Bill 102, as authorized by NRS 318.116(16).

¹⁴ See sec. 3(j) of Ordinance 97, Bill 102, as authorized by NRS 318.116(13).

¹⁵ See sec. 21.5 of former NRS 318.143(1) [SB297, Chapter 413, page 1088, 1965 Statutes]. At the next legislative session this provision was amended to delete the word "public" [see sec 63 of former NRS 318.143(1) {SB408, Chapter 582, page 1714, 1967 Statutes}]. At the same time sec. 24 of former NRS 318.116 was adopted [SB408, Chapter 582, page 1693, 1967 Statutes] which added the basic power of "furnishing recreation facilities." Today this basic power appears at NRS 318.116(14).

¹⁶ See NRS 318.015(1).

¹⁷ See sec. 3(l)(1) of Ordinance 97, Bill 227, as authorized by NRS 318.116(1).

¹⁸ See sec. 3(h) of Ordinance 97, Bill 57, as authorized by NRS 318.145.

district may exercise;"¹⁹ and, to exercise "all rights and powers necessary or incidental to or implied from the specific powers granted in this chapter."²⁰

These are the extent of basic powers IVGID may legitimately exercise. And should there be any fair, reasonable, substantial doubt concerning the existence of any other powers, according to *Dillon's Rule*, that doubt is to be resolved *against the District*, and the power be *denied*¹⁹.

In 1975 the State Legislature directed a study of the methods for creating, governing and financing GIDs in Nevada by the legislative commission²¹. As a result, a commission subcommittee prepared a report which included its findings and recommendations²² insofar as future legislation were concerned. One of its findings was "that there (had been)...a number of districts created that...(we)re performing services that should be provided by counties,"²³ or not at all. One of the reasons why this phenomena was occurring was that "when approached by citizens requesting a service from the county, (commissioners) often suggest(ed) that a general improvement district... (wa)s the only way to provide the requested service (notwithstanding) such districts often d(id) not

¹⁹ See NRS 318.100(2).

²⁰ See NRS 318.210. This provision is really the statutory embodiment of the second portion ("a *municipal corporation possesses and can exercise...those...powers...necessarily or fairly implied in or incident to the powers expressly granted*") of *Dillon's Rule*. "(1) Historically under Nevada law, the exercise of powers by a board of county commissioners has been governed by a common-law rule on local governmental power known as *Dillon's Rule*...(2) In Nevada's jurisprudence, the Nevada Supreme Court has adopted and applied *Dillon's Rule* [see *Ronnow v. City of Las Vegas*, 57 Nev. 332, 341-43, 65 P.2d 133 (1937)] to county, city *and other local governments*. (3)...*Dillon's Rule* provides that a board of (a local government)...may exercise *only* the following powers and no others: (a) Those powers granted in express terms by the Nevada Constitution or statute [here in a GID's initiating⁴ and supplemental⁵ ordinances as supplemented by the sections of chapter 318 designated therein⁴, *and none other*²]; (b) Those powers necessarily or fairly implied in or incident to the powers expressly granted; and, (c) Those powers essential to the accomplishment of the declared objects and purposes of the (GID) and not merely convenient but indispensable. (And, 4)...if there is any fair or reasonable doubt concerning the existence of a power, that doubt is resolved against the (governing) board...and the power is denied."

²¹ See page 1 of Legislative Commission of the Legislative Counsel Bureau, State of Nevada ("LCB"), Bulletin No. 77-11, *Creation, Financing and Governance of General Improvement Districts*, September 1976 ("LCB Bulletin 77-11").

²² See page 2 of LCB Bulletin 77-11.

²³ See ¶III at page 9 of LCB Bulletin 77-11.

have the adequate size or tax base to support (such) services... (Although) this practice was not found to be widespread in the State... it happen(ed) often enough to be of great concern.”²⁴

The concerns of the subcommittee were and are the reality of IVGID. And one of the most obvious examples advocating for/against statewide legislation.

Lobbying Law Makers to Influence State of Nevada Legislation: Even though IVGID may be “interested” in proposed legislation, the simple fact of the matter is that this is *not* a NRS 318.116 basic power. Nor is it *necessarily* incidental to nor to be implied from some other permissible GID basic power (see NRS 318.210). So why is the Board considering another expenditure of \$20,000 or more for this purpose?

Moreover, how many of the eighty-four (84) other Nevada GIDs [as of fiscal year 2011] or more GIDs in the State²⁵ have hired a lobbyist to advocate for/against proposed State legislation? To our knowledge *none* other than IVGID. This serves as evidence hiring a lobbyist is not an appropriate expenditure for a GID to be making.

Conclusion: Staff and the Board just don’t get it. This is just another expenditure which is a waste insofar as local parcel owners are concerned.

So to those asking why your RFF/Beach Facility Fee (“BFF”) are as high as they are, and never seem to be reduced, now you have another example of the reasons why.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

²⁴ See ¶II at page 10 of LCB Bulletin 77-11.

²⁵ See Table 1 of University of Nevada Cooperative Extension Fact Sheet-13-32, Funding Economic Development in Nevada: General Improvement Districts, Frederick Steinmann (2012).

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS AUGUST 10, 2021 REGULAR IVGID BOARD MEETING – AGENDA ITEM C – PUBLIC COMMENTS – WAKE UP BOARD MEMBERS. NEARLY EVERYTHING STAFF DO IS STUPID. AND HERE IS ANOTHER EXAMPLE – USING THE RECREATION FACILITY FEE (“RFF”) TO DEVELOP/MAINTAIN PRIVATE PROPERTY, AND THEN PREVENTING USE OF THE TRAIL BY THOSE WHOSE PROPERTIES ARE INVOLUNTARILY ASSESSED

Introduction: It doesn't matter what our staff do. Ultimately, it is stupid, stupid insofar as local property owners are concerned. And here we have more evidence; involuntarily charging us to develop private property (the Wood Creek trail), and then preventing those whose properties are involuntarily assessed from accessing and using that property. This is the purpose of this written statement.

The Wood Creek Trail: There are many hiking trails in and around Incline Village/Crystal Bay. And a number of them are on Incline Village General Improvement District (“IVGID”) property. One of them is called the Wood Creek Trail and its head is close to the intersection of Barbara and Jennifer. The trail somewhat mirrors Wood Creek. And it is one of the areas where IVGID pays for defensible space services intended to create a “halo” in the forest protecting all real property in Incline Village/ Crystal Bay, as well as residents, visitors, guests and business customers from major wildfire.

Many local residents as well as Judy and I (and our Golden Retriever Pazi) have enjoyed this trail which leads to Wood Creek and beyond for some number of years.

IVGID’s Announcement This Trail is “Private Property” and No Trespassing is Permitted: This last week we learned to our surprise that this trail is “private property” and no trespassing is permitted. We learned of this state of affairs when visiting the trailhead and we observed the IVGID created sign announcing these facts¹. We didn't realize any of the public's real property was “private property.” Nor did we realize that we could be arrested and prosecuted for trespassing if discovered on Wood Creek Trail.

Now That We Know Wood Creek Trail is “Private Property,” Where Does IVGID Get Off Charging the RFF to Develop/Maintain It? This is prohibited by NRS 318.015(2) and District staff know this! Since defensible space services take place on this trail, the RFF and a portion of the water rates we pay funds these services. And notwithstanding the Board tells us that the RFF allegedly pays for those properties' occupants' “availability” to access and use, now we're told we can't access and use Wood Creek Trail (i.e., “no trespassing”). Besides the fact this represents more evidence the District has lied to us, we want a refund!

Does the Reader Think Wood Creek Trail is the *Only* Trail Local Property Owners Are Financing Which IVGID Contends is “Private Property” And Off Limits to Our Use? Of course not!

¹ And image of this sign appears on Exhibit “A” which is attached to this written statement.

Do You Realize the No Trespassing Sign Was Prepared in House by Our Sign Department and Paid For With the RFF? That's right! Many tens of thousands of dollars on sign machines, materials to prepare signs, an on-staff sign maker (Steve Sathe), and a segregated portion of a Public Works Building for Steve to perform his magic! And where does the money come from for these vital services having nothing to do with making the District's recreation facilities available to be used by those whose properties are assessed? Bueller. Bueller...

It's the RFF stupido!

My July 31, 2021 E-Mail to the Board: Since I was certain our Board had no clue about the particulars shared above because it has abdicated away the ability to administer our parks (including trails) to un-elected staff, on July 31, 2021 I sent an e-mail to the Board wherein I shared the same, and asked members to: order an investigation and report of the extent of similar trail properties; agendize the matter for future Board discussion and action at a future Board meeting; and, refund the portion of our RFF paid for these inappropriate expenditures².

Conclusion: Again, staff and the Board just don't get it. Our recreational facilities, and especially our public parks, don't exist so staff can declare them to be off limits to the detriment of local parcel owners who are involuntarily financially subsidizing them.

If we didn't have staff doing the county's job of contracting and paying for defensible space, administering a trail system not accessible to the public, declaring portions subject to no trespassing, an creating spiffy signs advising local property owners of the same, over compensated and over benefitted employees might not have a job with the District. And we might not have the need for 1,012 or more employees³! And we might not need an over compensated and over benefitted Human Resources Director. And we might not need a multi-hundred thousand dollar in-house payroll system. And we might not need the RFF.

So to those asking why your RFF/Beach Facility Fee ("BFF") are as high as they are, and never seem to be reduced, now you have another example of the reasons why.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

² That e-mail is attached as Exhibit "B" to this written statement.

³ Go to <https://transparentnevada.com/salaries/2019/incline-village-general-improvement-district/>.

EXHIBIT "A"

NO TRESPASSING
Private Property
NRS 207.200

EXHIBIT "B"



Judith Miller <pupfarm1@gmail.com>

Fw: More Evidence Everything Your Staff Does is Stupid, Stupid, Stupid - This Time it's IVGID's Wood Creek Trail

1 message

s4s@ix.netcom.com <s4s@ix.netcom.com>

Sat, Jul 31, 2021 at 3:24 PM

pupfarm1@gmail.com

FYI

-----Forwarded Message-----

From: <s4s@ix.netcom.com>

Sent: Jul 31, 2021 1:13 PM

To: Callicrate, Tim <tim_callicrate2@ivgid.org>

Cc: <ISW@ivgid.org>, Wong, Kendra Trustee <wong_trustee@ivgid.org>, Schmitz, Sara <schmitz_trustee@ivgid.org>, Tonking, Michaela <tonking_trustee@ivgid.org>, <dent_trustee@ivgid.org>

Subject: More Evidence Everything Your Staff Does is Stupid, Stupid, Stupid - This Time it's IVGID's Wood Creek Trail

Chairperson Callicrate and Other Honorable Members of the IVGID Board -

I keep telling you it's nearly EVERYTHING your beloved staff does. And because none of you do anything, you're just as complacent.

So there's a trail off Barbara and Jennifer in Incline Village that goes along Wood Creek. It's called the Wood Creek Trail. And apparently these lands are owned by IVGID. They're the subject of past defensible space (paid equally by our Rec Fee and the Water rates IVGID charges each of us), park and possibly Public Works services.

What I didn't realize was that this trail is "private property." And that local parcel owners are prohibited from accessing and using it (i.e., "no trespassing") notwithstanding we've been told by Gerry Eick (on March 3, 2016 I believe) that this is a benefit we get from involuntarily paying the Rec Fee ("RFF") [we should consider the cost to be our user fee because no such user fee is charged at this facility]. I have attached a picture of the head of the trail and the no trespassing sign for those of you who might not be familiar.

So now that we know this is "private property," why are staff charging the RFF to pay for the trail's development? After all, doesn't NRS 318.015(2) instruct "that the provisions of this chapter (NRS 318) are not intended to provide a method for financing the costs of developing private property? So why is my RFF and the water rates my home is charged being used to develop this private property? Bueller, Bueller...

I WANT A REFUND!

And whatever other IVGID owned "private property" is my RFF and the water rates my home is charged being used to support/develop those properties?

I ask that this matter be agendized by our chairperson for future Board action. And I ask that the Board order a study and disclosure to the public of the full extent of similar "private properties" owned, developed, maintained, administered with the RFF/water rates

Finally, isn't it wonderful IVGID employs a sign maker (Steve Sathe) at a labor cost (there are additional material and installation costs) charged to our RFF of at least \$10,342 annually (at least for 2019) to make spiffy signs like this one? And you wonder why we have 1,012 or more employees.

Respectfully, Aaron Katz

notresspassing.jpeg
369K

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS AUGUST 10, 2021 REGULAR IVGID BOARD MEETING – AGENDA ITEM C – PUBLIC COMMENTS – WAKE UP BOARD MEMBERS. NEARLY EVERYTHING STAFF DO IS STUPID. AND HERE IS ANOTHER EXAMPLE – THE GIVEAWAY OF EXCLUSIVE USE OF VILLAGE GREEN, ON BUSY WEEKEND DAYS, DURING THE MIDDLE OF JULY, FOR A PITTANCE OF OUR COSTS

Introduction: It doesn't matter what our staff do. Ultimately, it is stupid, stupid insofar as local property owners are concerned. And here we have more evidence; the giveaway of exclusive use of Village Green for a lacrosse tournament sponsored by an out-of-the-area organization for a pittance of our actual costs. Each year the Tahoe Truckee Lacrosse Association aka High Sierra Lacrosse League ("HSL"), located in Truckee, CA.¹, puts on a lacrosse tournament in the Tahoe Basin. And for 2021, the tournament's location was Incline Village. The athletic fields used for this tournament according to the organizers were the two fields at Village Green, and the two athletic fields at Incline High School. Despite IVGID staff's denial, the District controls use of all of these fields². And the HSL's exclusive use of our athletic fields to the detriment of local property owners and others is the purpose of this written statement.

HSL's Application: On April 20, 2021 Curt Wegener on behalf of the HSL made application to District staff to *exclusively* use both Village Green athletic fields on July 15, 16, 17 and 18, 2021, and just one of those fields on July 24 and 25, 2021, from the hours of 7:30 A.M. – 6:00 P.M., for a Lacrosse Tournament³. Apparently IVGID employee, Tim Kelly, a Recreation Supervisor, at the direction of someone else higher in the IVGID "food chain," approved the application.

What Mr. Kelly Charged HSL For its Exclusive Use of Village Green: A whopping \$225 per field per day⁴. In other words, \$21.43/hour!

What the HSL Charged Teams to Participate in the Tournament: Can you believe a whopping \$1,600 each⁵?

¹ Attached as Exhibit "A" to this written statement is the Internal Revenue Service's acknowledgment of §501(c)(3) status. Note the location next to the asterisk placed on this page. And if one checks with the Nevada Secretary of State, one will discover that the HSL's operations in Nevada are as a foreign (i.e., California) corporation (see entity no. E0335092014-3).

² The District has entered into an inter local agreement with the Washoe County School District which allows the District to use Washoe County School District ("WCSD") recreational facilities in consideration of the reciprocal reverse. Therefore when IVGID sponsors major tournaments like this one, it has access to the high school's athletic fields.

³ That application is attached as Exhibit "B" to this written statement.

⁴ Attached as Exhibit "C" to this written statement is the District's billing to HSL for both sets of dates.

The District's Costs to Make These Athletic Fields Available For the HSSL's Exclusive Use: Not that I believe any of the District's financial reporting because it is intentionally manipulated, but let's look at its most recent (May 26, 2021) budgetary reporting to the State Department of Taxation. The District maintains a "Parks" financial fund which in principle reports revenues, expenses and changes in net positioned assigned to "park" operations. The 2021-22 budget evidences a system wide net *loss* of \$1,105,460⁶ which on average represents a \$3,028.66 loss every day of the year, including the winter months when our parks are covered with snow! And what subsidizes that loss so staff can declare a balanced budget? The Recreation Facility Fee ("RFF") or in this case, an excess fund balance accumulated over the last several years by past RFFs in excess of the District's represented needs.

Now to be fair, the \$1,105,460 loss applies to all park operations (Incline, Preston Field, Village Green, the skateboard park, etc.) system wide. How much is attributable just to Village Green? Staff doesn't share this number with the public. However, the reader can rest assured that it exceeds \$450/day (only 14.86% of the \$3,028.66 system wide number) by a large amount!

How Can These Fields be "Available to be Accessed and Used" by Local Parcel Owners Involuntarily Assessed the RFF When Exclusive Use Has Been Given to HSSL or Anyone Else For That Matter? By now the Board and a good number of community members understand that according to staff, the RFF/BFF allegedly represent "standby service charges" for [the mere 'availability of the use of...(recreation and) beach'⁷] services and facilities furnished by the District"⁸ conditioned upon paying additional user fees at the District's various public recreation and beach venues where user fees are assessed. And insofar as accessing and using public recreation facilities where no user fees are assessed (i.e., the District's parks), listen to former Finance Director Gerry Eick's pronouncement at the Board's March 3, 2016 meeting: because there is essentially no other user fee process to generate a source" of revenue to pay the costs of operating such venues *other than the RFF*, those whose properties are assessed should consider the RFF to be their "user fee substitute."⁹

⁵ Attached as Exhibit "D" to this written statement is a HSSL web page publicizing the tournament. Note the asterisk placed next to the \$1,600 entry/registration number.

⁶ Attached as Exhibit "E" to this written statement are pages 158-159 of the packet of materials prepared by staff in anticipation of the Board's May 26, 2021 meeting ["the 5/26/2021 Board packet" (https://www.yourtahoeplace.com/uploads/pdf-ivgid/0526_-_Regular_-_Searchable.pdf)]. \$1,269,688 of net operational losses less \$416,200 of paper depreciation expenses plus \$249,000 of capital and \$2,972 of apportioned debt service (note the asterisks next to each of these entries).

⁷ See page 186, ¶4(b), of the 5/26/2021 Board packet.

⁸ See page 190, ¶I, of the 5/26/2021 Board packet.

⁹ The Board livestreams its meetings (<http://new.livestream.com/accounts/3411104>). The Board's livestreamed March 3, 2016 meeting ["the 3/3/2016 livestream" (<https://livestream.com/IVGID/events/4912422/videos/114195041>)] where Mr. Eick gave the testimony attributed to him, can be viewed at 29:24-29:38 of the 3/3/2016 livestream.

The fact Village Green was not available to be accessed and used by those whose local properties have been assessed the RFF is testament to the fact the RFF do not represent what staff and the Board tell the public it represents!

Does the Reader Think the HSLL is the *Only* Beneficiary of Staff Giveaways Such as the Subject One at Local Parcel Owners' Expense? Of course not!

My July 29, 2021 E-Mail to the Board: Since I was certain our Board had no clue about the particulars shared above because it has abdicated away the ability to administer our parks to unelected staff, on July 29, 2021 I sent an e-mail to the Board wherein I shared the same, and asked members what they intend to do about this and other similar giveaways once and for all¹⁰. Since I presume *nothing*, "at least I've (now) created a (written) record of the truth!"

Conclusion: Staff and the Board just don't get it. Our recreational facilities, and especially our public parks, don't exist so staff can mete out exclusive access at a pittance of the public's actual cost, to the detriment of local parcel owners who are involuntarily financially subsidizing them, and to the benefit of another "favored collaborator" who uses the public's assets as a fundraiser to financially support its particular cause of the moment¹¹. Here the Village Green is the community's dog park. Each day hundreds of local residents and their pets visit the Village Green to exercise their beloved canines. And each weekend day the numbers increase. And it's not just exercising canines. The Village Green serves as a community meeting place for local residents to share their views in a public forum. And here staff have taken away this important venue and for what? A measly \$225 in gross revenues.

If we didn't allow staff to giveaway our facilities for activities similar to the subject one, over compensated and over benefitted employees like Mr. Kelly¹² might not have a job with the District. And we might not have the need for 1,012 or more employees¹³! And we might not need an over compensated and over benefitted Human Resources Director. And we might not need a multi-hundred thousand dollar in-house payroll system. And we might not need the RFF.

So to those of you asking why your RFF/BFF are as high as they are, and never seem to be reduced, now you have another example of the reasons why. Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

¹⁰ That e-mail is attached as Exhibit "F" to this written statement.

¹¹ According to its web site (see Exhibit "D"), "proceeds from the tournament benefit HIGH SIERRA LACROSSE LEAGUE."

¹² According to Transparent Nevada (<https://transparentnevada.com/salaries/search/?a=incline-village-general-improvement-district&q=kelly&y=2019>) in 2019 Mr. Kelly was paid \$50,928.83 in annual salary and benefits to be a "Recreation Supervisor." In fiscal year 2022, I'm certain the number is appreciably greater.

¹³ Go to <https://transparentnevada.com/salaries/2019/incline-village-general-improvement-district/>.

EXHIBIT "A"

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date:

FEB 25 2009

TAHOE TRUCKEE LACROSSE ASSOCIATION
INC
C/O STEPHEN C LIEBERMAN
40200 TRUCKEE AIRPORT RD
TRUCKEE, CA 96161

Employer Identification Number:
26-2377488
DLN:
17053353312028
Contact Person:
DALE T SCHABER ID# 31175
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
June 30
Public Charity Status:
170(b)(1)(A)(vi)
Form 990 Required:
Yes
Effective Date of Exemption:
March 6, 2008
Contribution Deductibility:
Yes
Addendum Applies:
No

MAR 4 2009

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Letter 947 (DO/CG)

TAHOE TRUCKEE LACROSSE ASSOCIATION

We have sent a copy of this letter to your representative as indicated in your power of attorney.

Sincerely,



Robert Choi
Director, Exempt Organizations
Rulings and Agreements

Enclosures: Publication 4221-PC

Letter 947 (DO/CG)

EXHIBIT "B"

FIELD USE APPLICATION



Event Title: Lake Tahoe Lacrosse Tournament IVGID Resident (circle one): Yes No
 Event Date: July 15, 16, 17, 18, 2021 Also, youth lacrosse July 24 & 25
 Booking Number: _____
 Name of Applicant: High Sierra Lacrosse Tournament E-mail address: TahoeOax@aol.com
 Name of Organization: Curt Wegener Phone (home): 775-771-0670
 Mailing Address: P.O. Box 5937 Phone (bus.): _____
 City: Incline Village, NV 89450 State: _____ Zip Code: _____

- | | | |
|--|---------------------------------------|---|
| Facility Requested: | Additional Amenities: | Type of Use: |
| <input type="checkbox"/> Preston Field | <input type="checkbox"/> Field Lights | <input type="checkbox"/> League team practice |
| <input type="checkbox"/> Incline Park Field #1 (soccer/softball) | <input type="checkbox"/> Scoreboard | <input type="checkbox"/> Sports Tournament |
| <input type="checkbox"/> Incline Park Field #2 (Youth Field) | <input type="checkbox"/> Soccer Goals | <input type="checkbox"/> Community Event |
| <input type="checkbox"/> Incline Park Field #3 (baseball/softball) | <input type="checkbox"/> Other _____ | <input type="checkbox"/> Fundraiser |
| <input checked="" type="checkbox"/> Village Green (lower) | | <input type="checkbox"/> Private Party |
| <input checked="" type="checkbox"/> Village Green (upper) | | <input type="checkbox"/> Other _____ |

Approximate number of people: 500 +/-
 Requested facility opening time: 7:30 AM Closing time: 6:00
 Non-Profit Number: 26-237488 Expiration date: _____
 (Please attach Federal or State non-profit status verification)

Alcohol beverages served? (circle one) Yes No Will alcohol be sold? (circle one) Yes No
 Liquor license number: _____ Insurance policy#: _____
 Insurance carrier: _____ Amount: _____
 Description of event and special needs: Line fields, install Benji Nets, additional trash cans, access to water (Covid rules allowing)

I have read and understand the statements on the reverse of this form and agree to all conditions of this contract and so indicate by my signature below.

 Applicant Signature Parcel Number 201849 Rec. Pass # 4/20/2021 Date

OFFICE USE ONLY

Notes: _____

Billing Status (circle one): Regular Res. Commercial Res. Individual Local non-profit Exempt

 Recreation Manager Date

Booked by: _____ Date: _____ Security Deposit: _____ Receipt #: _____
 Date Invoiced: _____ Invoice: _____ Payment Type: Ch Cash CC Amount Rcvd: _____

Revised 5/05



FIELD USE APPLICATION

I hereby assume all responsibility for any physical damage to premises or liability incurred as a result of this function. It is understood that the Incline Village General Improvement District reserves the right to impose any requirements felt necessary after review of this application. Should IVGID believe that there is a potential danger to persons or property, or violation of local, state, an/or federal laws, or IVGID rules and regulations based on activities at a given function, then IVGID reserves the right to terminate the function immediately or while in progress. All fees must be paid for facility use up to the time of termination.

I/We understand that the person signing this contract will be on-site during the entire event. Should the person signing this contract not be on-site, IVGID shall assume that fraudulent use of Recreation Privileges has occurred. False or misleading information to attain resident rates at IVGID facilities will be grounds for voiding all recreation privileges issued against the parcel. IVGID reserves the right to pursue any other legal action.

IVGID does not insure to the benefit of any parties utilizing the district facilities be it public liability or damage to the property. Further, although IVGID does not normally require insurance, it does reserve the right to require insurance for specific events. When insurance is not required, renters should understand that they're exposing themselves and/or their organization to significant risks by sponsoring event, and that those risks are significantly higher if alcohol is served. When insurance is required or provided, renters should ensure that coverage includes IVGID "additional insured" and provide a "certificate of insurance" that arrives at the Administration Department not less than 30 days prior to the event.

[Handwritten initials]
Initials

A security deposit is required for many facility reservations. No fees will be refunded if the sheriff's department is called to the event.

The charges for facility rental will be paid at the time of booking. To be eligible for any Incline Village "Resident" rental rates, the applicant must hold and provide staff with a valid IVGID recreation pass, and be current in all taxes and recreation assessments.

[Handwritten initials]
Initials

Should an event be canceled by the applicant more than 30 days prior to the schedule date, all user fees paid will be refunded. Should an applicant cancel the scheduled event within 30 days of the scheduled date, the applicant will forfeit 50% of the user fees.

[Handwritten initials]
Initials

Confirmation indicates the requested facility is available on the date requested. Confirmation does not guarantee facility availability, in the event that circumstances beyond IVGID/s reasonable control prevent the facility's availability (i.e. weather, vandalism, and/or other factors).

It is further understood that should rates change after this application is submitted, but before the date applied for, prevailing rates at the time to the event will be applicable.

[Handwritten initials]
Initials

I/We understand the facility and the grounds around the facility will be left clear of all debris and personal belongings.

PLEASE SIGNIFY YOUR UNDERSTANDING AND ACCEPTANCE OF THE ABOVE POLICIES BY SIGNING THE FRONT PORTION OF THIS FORM & INITIALIZING THE ABOVE STATEMENTS. THIS APPLICATION WILL NOT BE CONSIDERED OR APPROVED WITHOUT YOUR SIGNATURE.

Incline Village Parks and Recreation Department
980 Incline Way. Incline Village, NV 89451 / Ph 775.832.1310 / Fx 775.832.1380

EXHIBIT "C"



TO: Lake Tahoe Lacrosse – Curt Wegener

From: Tim Kelly – Recreation Supervisor - Sports

Date: 7/6/21

Quantity	Description	Price
Lake Tahoe Lacrosse Tournament Field rentals	July 15, 16, 17 & 18 for Village Green upper and lower fields at the non profit rate of \$225 per field a day. $\$225 \times 2 = \450 . $\$450 \times 4 = \1800	\$1800.00
AMOUNT DUE		\$1800.00

Please make check to IVGID.

Thank you

*Incline Village Parks and Recreation Department
980 Incline Way
Incline Village, NV 89451*



TO: Lake Tahoe Lacrosse – Curt Wegener

From: Tim Kelly – Recreation Supervisor - Sports

Date: 7/15/21

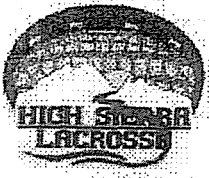
Quantity	Description	Price
Lake Tahoe Youth Lacrosse Tournament Field rental	July 24 & 25 for Village Green lower field at the Non Profit rate of \$225 a day. \$225 x 2 days = \$450. (Just lower field) Sat. 8am – 5pm & Sun 8pm – 3pm	\$450.00
AMOUNT DUE		\$450.00

Please make check to IVGID.

Thank you

*Incline Village Parks and Recreation Department
980 Incline Way
Incline Village, NV 89451*

EXHIBIT "D"



HIGH SIERRA LACROSSE

Supporting and Promoting Lacrosse in Northern Nevada and the Surrounding Areas

Home

Foundation

Coaches/Education

Officials

Events/Tournaments

Programs/Leagues

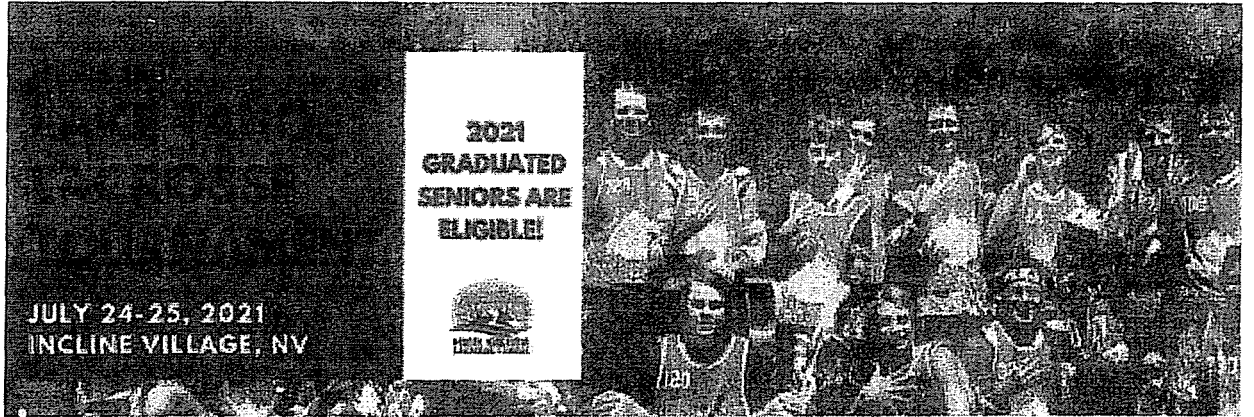
Teams

US Lacrosse

18U Lake Tahoe Tourney

Lake Tahoe Lacrosse
Tournament

18U Lake Tahoe Tourney



JOIN US FOR THE 30th ANNUAL LAKE TAHOE LACROSSE TOURNAMENT!
REGISTER HERE TODAY - SPACE IS LIMITED

THE event for you if you're looking to:

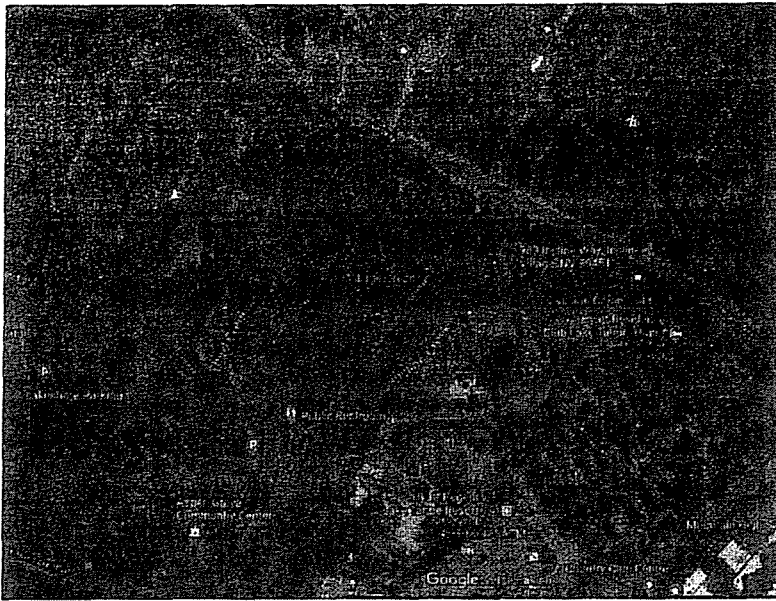
- Play one more tournament with your high school or club teammates
- Tune-up for your first year in college
- Challenge you younger team against college-bound players.
- Play the world's best game in the world's most beautiful place.

DATES

Saturday, July 24, Sunday, July 25, 2021

LOCATION

Incline Village, NV - Village Green



ENTRY FEE/REGISTRATION

Register Here
1,600

THE WEEKEND

Minimum 4 games over 2 days
Certified officials
Scorekeepers/Timers
Trainer on site
Concessions
Tourney Tees

LODGING

Incline Vacation Rentals - Ken Viel, inclinevacations@sbcglobal.net or 800-831-3304.
NorthStar Resort
VRBO.com
Hotels in South Reno area

QUESTIONS

Contact Ian Anderson at ian.anderson@highsierralax.org, or 775-741-4257

Proceeds from the tournament benefit
HIGH SIERRA LACROSSE LEAGUE



#Toughness #Character #Community

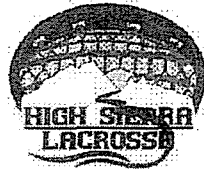


EXHIBIT "E"

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
STATEMENT OF INCOME, EXPENSES AND CHANGE IN NET POSITION
BY CLASS
PARKS FUND**

Prior Fiscal Year - Current Fiscal Year - Final

	Actuals FY2019-20	Current Budget FY2020-21	Tentative Working Budget FY 2021-22	Final Working Budget FY 2021-22
OPERATING INCOME				
Charges for Services	32,505	26,600	60,615	60,615
Facility Fees	728,925	729,978	672,646	-
Rents	-	12,100	12,100	12,100
Intergovernmental - Operating Grants	35,244	21,700	17,800	17,800
Interfund Services	76,558	83,864	84,926	84,926
TOTAL OPERATING INCOME	<u>873,232</u>	<u>874,242</u>	<u>848,087</u>	<u>175,441</u>
OPERATING EXPENSE				
Salaries and Wages	301,629	313,796	365,679	365,679
Employee Fringe	64,421	82,979	89,419	89,419
Total Personnel Cost	<u>366,050</u>	<u>396,775</u>	<u>455,098</u>	<u>455,098</u>
Professional Services	78,356	1,170	1,170	1,170
Services and Supplies	332,330	302,862	314,953	410,653
Insurance	12,060	13,320	13,800	13,800
Utilities	103,249	96,485	96,360	96,360
Central Services Cost	42,300	45,923	51,848	51,848
Depreciation	221,830	280,000	416,200	416,200
TOTAL OPERATING EXPENSE	<u>1,156,175</u>	<u>1,136,535</u>	<u>1,349,429</u>	<u>1,445,129</u> *
NET INCOME (EXPENSE)	<u>(282,942)</u>	<u>(262,293)</u>	<u>(501,342)</u>	<u>(1,269,688)</u> *
NON OPERATING INCOME				
Capital Grants	-	-	-	80,000
Proceeds from Capital Asset Dispositions	453	-	-	-
TOTAL NON OPERATING INCOME	<u>453</u>	<u>-</u>	<u>-</u>	<u>80,000</u>
NON OPERATING EXPENSE				
Debt Service Interest	-	-	99	99
TOTAL NON OPERATING EXPENSE	<u>-</u>	<u>-</u>	<u>99</u>	<u>99</u>
INCOME(EXPENSE) BEFORE TRANSFERS	<u>(282,490)</u>	<u>(262,293)</u>	<u>(501,441)</u>	<u>(1,189,787)</u>
TRANSFERS				
Transfers In	-	-	307,172	2,972
Transfers Out	1,947,781	-	-	-
TOTAL TRANSFERS	<u>(1,947,781)</u>	<u>-</u>	<u>307,172</u>	<u>2,972</u>
CHANGE IN NET POSITION	<u>(2,230,271)</u>	<u>(262,293)</u>	<u>(194,269)</u>	<u>(1,186,815)</u>

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
STATEMENT OF SOURCES AND USES
BY CLASS
PARKS FUND**

Prior Fiscal Year - Current Fiscal Year - Final

	Actuals FY2019-20	Current Budget FY2020-21	Tentative Working Budget FY 2021-22	Final Working Budget FY 2021-22
SOURCES				
Charges for Services	32,505	26,600	60,615	60,615
Facility Fees	728,925	729,978	672,646	-
Rents	-	12,100	12,100	12,100
Intergovernmental - Operating Grants	35,244	21,700	17,800	17,800
Interfund Services	76,558	83,864	84,926	84,926
Capital Grants	-	-	-	80,000
Proceeds from Capital Asset Dispositions	453	-	-	-
Funded Capital Resources	-	-	95,000	-
Transfers In	-	-	307,172	2,972
TOTAL SOURCES	873,685	874,242	1,250,259	258,413
USES				
Salaries and Wages	301,629	313,796	365,679	365,679
Employee Fringe	64,421	82,979	89,419	89,419
Total Personnel Cost	366,050	396,775	455,098	455,098
Professional Services	78,356	1,170	1,170	1,170
Services and Supplies	332,330	302,862	314,953	410,653
Insurance	12,060	13,320	13,800	13,800
Utilities	103,249	96,485	96,360	96,360
Central Services Cost	42,300	45,923	51,848	51,848
Capital Improvements	-	-	304,200	249,000 *
Debt Service	-	-	2,972	2,972 *
Transfers Out	1,947,781	-	-	-
TOTAL USES	2,882,126	856,535	1,240,401	1,280,901
SOURCES(USES)	(2,008,441)	17,707	9,858	(1,022,488)

EXHIBIT "F"

What We Charged the La Crosse Tournament Promoters to Exclusively Use the Village Green on July 15, 16, 17, 18, 24, and 25, 2021

From: <s4s@ix.netcom.com>
To: Callicrate, Tim <tim_callicrate2@ivgid.org>
Cc: <ISW@ivgid.org>, Wong, Kendra Trustee <wong_trustee@ivgid.org>, Schmitz, Sara <schmitz_trustee@ivgid.org>, Tonking, Michaela <tonking_trustee@ivgid.org>, <dent_trustee@ivgid.org>
Subject: What We Charged the La Crosse Tournament Promoters to Exclusively Use the Village Green on July 15, 16, 17, 18, 24, and 25, 2021
Date: Jul 29, 2021 12:10 PM
Attachments: lake tahoe lacrosse tournament facility use app 2021.pdf, Lake Tahoe Lacrosse Tournament Invoice 2021 - Invoice+.pdf, Lake Tahoe Youth Lacrosse Tournament Invoice 2021 - Invoice.pdf

Chairperson Callicrate and Other Honorable Members of the IVGID Board -

Since I am certain NONE of you knew what was charged to the OUT-OF-TOWN (Truckee) Tahoe-Truckee La Crosse Ass'n for its recent Lake Tahoe La Crosse Tournament, I now provide the evidence (attached to this e-mail) because I've done YOUR jobs.

Before I begin, do any of you know what it costs the public to maintain the Village Green? I can't tell you because staff doesn't publicly report this number. However, I can tell you what is budgeted for 2021-22 insofar as all of the public's parks are concerned. Not that I believe any of staff's numbers because we've seen on so many occasions before how they play with the numbers to make the losses appear smaller than they really are, but according to your approved May 26, 2021 budget, we budget to lose \$1,269,688 in operational costs, another \$249,000 on so called "CIPs," and another \$2,972 on debt service, annually, for all of our parks/athletic fields. Since part of these losses includes depreciation, for purposes of this discussion I am going to deduct \$416,200 of depreciation. That leaves us a net loss of \$1,105,460 annually according to staff.

And stated differently, you the Board have authorized charging local property owners \$1,105,460 annually to subsidize the losses intentionally budgeted associated with all of our parks/athletic fields. And remember, these are parks/athletic fields which are as available for use by the general public as a whole which does NOT financially subsidize the losses associated therewith, as local parcel owners are forced to subsidize the same with the RFF. And to put this number into perspective, let's divide it by 365 days in the year. Which equals \$3,028.66/day. Our cost to subsidize these parks and athletic fields, according to staff, is \$3,028.66/day, each and every day of the year!

So what is the cost insofar as just the Village Green is concerned? Why don't you ask Indra? Whatever the answer, I'm certain it's surely MORE than 6.73% of this nearly \$3,030/day number, isn't it? The reason I have used the 6.73% number is because this is the percentage of what we were paid by the tournament's promoters (see discussion below).

What did our staff, Tim Kelly in particular, charge these tournament promoters? According to the documents attached, \$225/day for exclusive use of each of the two Village Green athletic fields. Much less than our actual costs. And this doesn't include the additional administrative costs which are buried in the financials associated with "Recreation" in general. And it doesn't include the additional costs associated with tournament participant beach use (remember, a number of tournament participants were seen on our "so called" private beaches during the subject two weekends. Now how did this happen?).

Let me re-state these numbers a bit differently. Local property owners who pay the RFF were DEPRIVED of the availability to use Village Green, for four (4) of these six (6) prime weekend days in July, because of staff's pursuit of a

paltry \$450/day. And they were DEPRIVED of the availability to use Village Green for two (2) of these six (6) prime weekend days in July, because of staff's pursuit of an even paltrier \$225/day.

Am I the only one who thinks it would have made far more sense to kiss off this combined \$2,250 of revenue (which is probably at least \$56.20 less because payment was made via credit card and we were assessed bank processing fees) and instead make the Village Green available to the public during these two weekend periods? How about getting your priorities straight because you're 100% responsible for the irresponsibility of your staff?

How about we just so "no" to anyone's exclusive use of our facilities or portion thereof, anytime? Or how about raise our pricing dramatically to at least recover ALL of our costs? Or how about we demand that staff dramatically reduce these costs? Or how about we get rid of these money losing venues because if staff can't do any better on controlling costs, we simply cannot afford them? Turn them over to the County and let the county provide for these recreational facilities which is really what it should be doing. How about doing something for GOD's sake rather than being a rubber stamp for irresponsible staff?

So now that you know the facts, what do you intend to do about it?

I expect nothing but at least I've created a record of the truth.

Respectfully, Aaron Katz

-----Forwarded Message-----

From: Herron, Susan <Susan_Herron@ivgid.org>
Sent: Jul 29, 2021 8:52 AM
To: 's4s@ix.netcom.com' <s4s@ix.netcom.com>
Subject: RE: Records Request - Use of Athletic Fields and Chateau

Mr. Katz,

Here are the documents for the La Crosse tournaments. I am working on locating the other requested documents which I hope to have to you no later than August 20.

Susan

-----Original Message-----

From: s4s@ix.netcom.com [mailto:s4s@ix.netcom.com]
Sent: Monday, July 26, 2021 2:51 PM
To: Herron, Susan
Subject: Records Request - Use of Athletic Fields and Chateau

Hello Ms. Herron -

With respect to use of:

The Village Green, Incline High School athletic field(s) (which the IVGID site states is/are owned by IVGID) and any other IVGID athletic fields by I believe High Sierra La Crosse for a la crosse tournament/practice preparation on the weekends of July July 15-18, 2021 as well as July 23-25, 2021;

The Chateau on August 26, 2021 for the Tastes of Incline event; and,

The Chateau on September 15 or thereabouts (I may be off a day or so) for some organization's fashion show;

I would like to examine records evidencing the following:

1. Applications to use each facility;
2. Paperwork required to accompany each application according to Resolution 1701;
3. Application Fee to accompany each application;
4. To the extent not included in items 1-3 above, IVGID's approval for each application evidencing who at IVGID approved;
5. To the extent not included in items 1-3 above, the amounts to be paid to IVGID pursuant to each application;
6. All e-mails from and to IVGID with respect to requesting approval to use and approval of that request.

Thank you for your cooperation. Aaron Katz