

MINUTES

REGULAR MEETING OF APRIL 12, 2023 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 Board Chairman Matthew Dent on Wednesday, April 12, 2023 at 6:00 p.m. at the Boardroom, 893 Southwood 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 Raymond Tulloch, Matthew Dent, David Noble and Michaela Tonking.

Members of Staff present were Director of Public Works Brad Underwood, Director of Human Resources Erin Feore and Director of Finance Paul Navazio. Members of the public physically present were Myles Riner, Trish McKowen, Aaron Katz, Judith Miller and others.

C. INITIAL PUBLIC COMMENTS*

Chairman Dent read from a prepared statement, which is attached hereto.

Myles Riner read from a prepared statement, which is attached hereto.

Trish McKowen read from a prepared statement, which is attached hereto.

Aaron Katz submitted written statements and they are attached. He commented that Dr. Riner talked about 4.6 million dollars set aside but to his knowledge, zero is set aside. He stated he hates it when people come speak facts like they know something and the truth is they know nothing. He referenced trying to communicate to children and asked what to communicate to them when the Board packet is 1020 pages at 7:23 p.m. on the Friday before Easter; people are expected to come in intelligent and this is outrageous and he hopes something is done about it. He referenced the admin building and asked what is it that people do not understand; there is no money to pay for a new admin building, so Staff is in a position where they lie to the public which happens over and over again. He referenced that Staff has budgeted \$40K for an admin building assessment; he had asked where the money will come from and the response was the general fund. He continued by asking where the money would come from in the general fund since Staff is

budgeting 2 million dollars more than the revenues that are available. He stated that Staff then called it central services; it can be called whatever they want it to be called but it is not central services and he has gone through it painstakingly to point out why central services is phony; it is nothing more than a subsidy just like the recreation fee is a subsidy for community services and just like the beach fee is a subsidy for the beaches; central services is a subsidy for the general fund. He asked where the money comes from for the subsidy; it comes from the beach fee, recreation fee and the utility fees they are forced to pay; his recreation fee and beach fee are paying for the admin building. He stated that Staff will be planning sometime in the future to come to the Trustees with a budget that has 3,5, or 7 million dollars for the new admin building, because the wonderful employees cannot work in the dungeon; the money is going to come from the recreation fee, put your foot down and stop it and nip it in the bud now.

Cliff Dobler read from a prepared statement, which is attached hereto.

Margaret Martini commented that it was very late the last meeting and she did not get to stay for her public comment; she would like to address the diatribe about the purported conflict of interest that was directed at Chairman Dent and Trustee Tulloch. She stated that Trustee Tulloch has no conflict of interest as far as employment is concerned; everyone has a right to choose where they work and she is sure Trustee Tulloch is not stealing secrets from the ski manager; the whole premise is beyond absurd and goes to show the diversionary tactics that the golf community has stooped to try to disparage a member of the Board. She continued that the accusations have no merit; just as Trustee Tulloch has the right to work where he wants, Chairman Dent has the right to do his financial business where he wants. She asked who people are in the community to make the decision to disparage Chairman Dent's personal financial decisions; the show was a perfect example of diversionary tactics used by crooked politicians and the examples indicate that the golf community do not want qualified people in leadership positions like CPA's on the Audit Committee. She stated that anyone with a brain can see right through the circus that was the last meeting's public comments by the golfers. She continued that CEO business executives would have been in the unemployment line if you ran your companies as poorly as IVGID is run.

Frank Wright commented that he was in the Bay Area this weekend and he was shocked at the number of CVS stores that had to close their doors because of looters; people were coming in the store, taking things off the shelf and running out the door and now the store is forced to close down as they cannot afford to stay open because they are losing so much inventory. He continued that he looks at the golf courses the same way; there is a group of golfers who are looters as they are taking advantage of the golf courses and begging for lower rates to keep their

costs down while the rest of the community pays for it. He stated that they have the gall to show up, much like the looters show up when they lose the stores in their community; the difference is, the District has something called the recreation fee that keeps the golf courses running at the expense of people in town; CVS does not have that luxury. He stated that the District's local looters have the audacity to come to the meetings and yell and scream that they are being taken advantage of by the poor people in town that can't afford to pay for the other people's golf. He stated it is sick and wrong; if there is not a Board that looks at the financials and says the District can't continue this way, the District will eventually go broke if someone takes away the recreation fee; the golf courses won't be able to operate unless there is subsidy from all of the others who don't play golf. He continued that the arrogant golfers that come to the meeting and say how long they have lived here and justify taking from others does not get it; what gets it is financials and how to operate a business and make money. He stated that it's not done here and the District operates businesses for the sake of a very few who have taken advantage of other for many years and it is time to put an end to it; it's time to do the right thing financially and run the golf courses to make a profit and make it fair for everyone in town and not just the golfing community. He continued that it is time that something is finally done; for the people who want to come every week and complain about the cost for playing golf, pay for what is worth and don't take advantage of people in town who don't play golf; do not steal from the community.

Yolanda Knaak commented that the livestream was not working. She stated that she hopes people can work together and work out the budget so that people are not so upset; she hopes the community will pull together.

D. APPROVAL OF AGENDA (for possible action)

Chairman Matthew Dent asked for any changes to the agenda; he stated that item F.1. is going to be pulled from Consent Calendar and will now be item G.1. under General Business and item F.3. will be pulled from Consent Calendar and will now be item G.2 under General Business. Trustee Tonking requested that item G.6 and G.7. be moved up to the top of the agenda. It was determined that item F.1. will become item G.1, item F.3. becomes item G.2., G.6. becomes item G.3. and item G.7. becomes G.4. Chairman Matthew Dent stated that the agenda is approved as revised.

E. REPORTS TO THE BOARD*

E.1. Utility Rate Study – Additional Information to be Provided Based Upon Board Feedback from the March 8, 2023 Utility Rate Study

Presentation (Requesting Staff Member: Director of Public Works Brad Underwood)

Director of Public Works Brad Underwood and Shawn Koorn with HDR provided an overview of the submitted material. A new public hearing date is planned for June 7, 2023. This item can be view on livestream starting at approximately 43 minutes.

F. CONSENT CALENDAR (for possible action)

F.1. First Non-Profit Contract Award - Third Party Administrator - Unemployment Claims (Requesting Staff Member: Director of Human Resources Erin Feore) (*this item was moved to General Business Item G.1.*)

F.2. Approval of the Nevada Water/Wastewater Agency Response Network (NvWARN) Agreement for Mutual Emergency Aid (Requesting Staff Member: Director of Public Works Brad Underwood)

F.3. Approval of a Contract Amendment with Shaw Engineering and Reduce Spending Authority Within the Watermain Replacement Crystal Peak Road Project (CIP #2299WS1705) (Requesting Staff Member: Director of Public Works Brad Underwood) (*this item was moved to General Business Item G.2.*)

F.4. Review and Approve Meeting Minutes of March 8, 2023 (Requesting Staff Member: District Clerk Melissa Robertson)

Trustee Tonking made a motion to approve Consent Calendar Items F.2 and F.4. as presented. Trustee Tulloch seconded the motion. Chairman Dent called the question and the motion passed 4-0.

G. GENERAL BUSINESS (for possible action)

G.1. First Non-Profit Contract Award - Third Party Administrator - Unemployment Claims (Requesting Staff Member: Director of Human Resources Erin Feore) (*formally Consent Calendar Item F.1.*)

Trustee Tonking stated she has a conflict of interest due to the benefits her sister receives so she will not be voting on this item.

Trustee Noble moved to approve the contract for services for 2023 as presented. Trustee Tulloch seconded the motion. Chairman Dent called the question and the motion passed 3-0 with Trustees Noble, Tulloch and Dent in favor of the motion. Trustee Tonking abstained.

G.2 Approval of a Contract Amendment with Shaw Engineering and Reduce Spending Authority Within the Watermain Replacement Crystal Peak Road Project (CIP #2299WS1705) (Requesting Staff Member: Director of Public Works Brad Underwood) (*formally Consent Calendar Item F.3.*)

Director of Public Works Brad Underwood provided an overview of the submitted material. There was a brief discussion on this item. This item can be view on livestream starting at approximately 54 minutes.

Trustee Tonking made a motion that the Board of Trustees approve a contract amendment with Shaw Engineering in the amount of \$1,949.00 resulting in a new contract amount of \$60,249.00 and amended CIP budget to reduce spending authority within the project account in the amount of \$196,382.00. Trustee Noble seconded the motion. Trustee Tulloch requested that the motion include that the Director of Public Works will bring back information to the Board of Trustees as discussed. Trustee Tonking and Trustee Noble approved this addition to the motion. Chairman Dent called the question and the motion passed 4-0.

G.3. SUBJECT: Receive, Discuss and Possibly Approve FY 2023/2024 Tentative Budget (Form 4404LGF) to be Filed by the District to the Nevada Department of Taxation by April 15, 2023 (Requesting Staff Member: Director of Finance Paul Navazio) (*formally General Business Item G.6.*)

District General Manager Indra Winquest and Director of Finance Paul Navazio provided an overview of the submitted material. There was some discussion on this item. This item can be view on livestream starting at approximately 1 hour.

Trustee Tonking made a motion that the Board of Trustees approve the report on the tentative budget for FY 2023/2024 to be Filed by the

District to the Nevada Department of Taxation by April 15, 2023 as required by NRS 354.596. Trustee Noble seconded the motion. Chairman Dent called the question and the motion passed 4-0.

G.4. SUBJECT: Review, Discuss and Possibly Approve Resolution Number 1901: A Resolution Preliminarily Approving the Report for Collection of Recreation Standby and Service Charges for Fiscal Year 2023/2024 and Setting the Public Hearing Date for Thursday, May 25, 2023 at 6 p.m. (*formally General Business Item G.7.*)

Director of Finance Paul Navazio provided an overview of the submitted material. There was some discussion on this item. This item can be view on livestream starting at approximately 1 hour and 30 minutes.

Trustee Tonking made a motion that the Board of Trustees adopt Resolution Number 1901 which Preliminarily Approves the Report for Collection of Recreation Standby and Service Charges, also known as the Recreation facility fee and Beach Facility Fee for \$780.00 in aggregate and sets the Public Hearing Date for Thursday, May 25, 2023 at 6 p.m. Trustee Noble seconded the motion. Chairman Dent called the question and the motion passed 4-0.

G.5. SUBJECT: Review, Discuss and Possibly Approve the Award of the Design-Build Contract for Diamond Peak Base Lodge Walk in Cooler and Food Prep (Kitchen) Reconfiguration (CIP #3453BD1806) to Brycon Corporation (Requesting Staff Member: Director of Public Works Brad Underwood) (*formally General Business Item G.1.*)

Diamond Peak General Manager Mike Bandelin and District Project Manager Bree Waters provided an overview of the submitted material. There was some discussion on this item. This item can be view on livestream starting at approximately 1 hour and 34 minutes.

Trustee Tonking made a motion that the Board of Trustees approve the award for the design build contract for Brycon Corporation for Diamond Peak Base Lodge Walk in Cooler and Food prep reconfiguration for \$516,390 based on schematic design and approve an augmentation to the FY 22/23 CIP project budget of \$478,557.00 and reduce the amount that is in the FY 23/24 preliminary CIP project budget for \$478,557; the remaining funds of \$321,443.00 are

recommended to remain in the FY 23/24 CIP project budget until a GMP is negotiated at a 100% design. Trustee Noble seconded the motion. Chairman Dent called the question and the motion passed 4-0.

G.6. SUBJECT: Review, Discuss and Possibly Approve CMAR Construction Agreement with Granite Construction plus an Owners Construction Risk Reserve; a 3.5% Owners CMAR Contract Contingency; a Materials Testing and Inspection Services Agreement with GES Plus a Testing Contingency of 10%; an Amendment to the Contract with HDR Engineering for Construction Support Services; Budget Augmentation to Increase Project Funding and Allocate SRF Loan Funds, and Authorize Chair and Secretary to Execute Contracts with Granite Construction, GES, and HDR for the Effluent Export Pipeline Replacement Project CIP2524SS1010 (Requesting Staff Member: Director of Public Works Brad Underwood) *(formally General Business Item G.2.)*

Director of Public Works Brad Underwood and District Principal Engineer Hudson Klein provided an overview of the submitted material. There was some discussion on this item. This item can be view on livestream starting at approximately 1 hour and 40 minutes. It was noted that Staff will bring back an estimated cost estimate at the 5/25 Board of Trustees Meeting and the tentative project start date is 5/1.

Trustee Tonking made a motion that the Board of Trustees approve:

1. Approve CMAR Construction Agreement with Granite Construction for the Effluent Pipeline Project with a Guaranteed Maximum Price in the Amount of \$10,831,500 (Inclusive of \$1.466M Owner Controlled Risk Reserve).
2. Approve 3.5% Owner CMAR Contract Contingency for the Effluent Pipeline Project GMP1 in the Amount of \$328,000.
3. Approve a Materials Testing and Inspection Services Agreement with Geotechnical & Environmental Services Inc for the Effluent Pipeline Project GMP1 in the amount of \$331,517.
4. Approve 10% Materials Testing and Inspection Contingency for the Effluent Pipeline Project in the Amount of \$33,150.
5. Approve an Amendment to the Contract with HDR Engineering for Construction Support Services in the Amount of \$48,686.

6. Approve a Project Budget Augmentation of \$1,930,493 to Increase the FY22/23 CIP Budget for the Effluent Pipeline Project (CIP#2524SS1010) to \$14,000,000 (Utility Fund).
7. Approve a Budget Amendment of \$3,710,000 in SRF Loan Proceeds (Revenues) to Reflect Eligible Reimbursable Costs Anticipated to be Charged to the Utility Fund Through FY22/23.
8. Authorize Chair and Secretary to Execute Contracts with Granite Construction, GES, and HDR.

Trustee Noble seconded the motion. Chairman Dent called the question and the motion passed 4-0.

G.7. SUBJECT: Review, Discuss and Possibly Approve the Award of the Construction Contract for the Wetlands Effluent Disposal Facility Improvements (CIP #2599SS1103) to McCuen Construction (Requesting Staff Member: Director of Public Works Brad Underwood) (*formally General Business Item G.3.*)

Director of Public Works Brad Underwood provided an overview of the submitted material. There was a brief discussion on this item. This item can be view on livestream starting at approximately 1 hour and 58 minutes.

Trustee Tonking made a motion that the Board of Trustees approve:

1. Award the Construction Contract for the Wetlands Effluent Disposal Facility Improvements (CIP #2599SS1103) to McCuen Construction for the Amount of \$200,524.05.
2. Authorize Staff to Execute Change Orders for Additional Work for 10% of the Construction Contract Value in the Amount not to Exceed \$20,000.
3. Authorize Staff to Perform Construction Services and Inspection as Required, not to Exceed \$25,000.
4. Authorize Chair and Secretary to Execute Contracts.

Trustee Noble seconded the motion. Chairman Dent called the question and the motion passed 4-0.

G.8. SUBJECT: Effluent Storage Project (#2599SS2010) Project Partnership Agreement with US Army Corps of Engineers (Requesting Staff Member: Director of Public Works Brad Underwood) (*formally General Business Item G.4.*)

Director of Public Works Brad Underwood and Engineering Manager Kate Nelson provided an overview of the submitted material. There was a brief discussion on this item. This item can be view on livestream starting at approximately 2 hour and 1 minute.

Trustee Tonking made a motion that the Board of Trustees authorize the General Manager to execute the Project Partnership Agreement, in substantially the form presented, with the United States Army Corps of Engineers (USACE) for the Effluent Storage Project (#2599SS2010). Trustee Noble seconded the motion. Chairman Dent called the question and the motion passed 4-0.

**G.9. SUBJECT: Review, Discuss and Possible Approve Policy
22.1.0 Disclosure of Community Non-Profit Involvement
(formally General Business Item G.5.)**

District General Counsel Josh Nelson provided an overview of the submitted material. The Board of Trustees provided input on changes that they would like to see made to the policy. There was no action taken at this time.

H. REPORTS TO THE BOARD - CONTINUED*

H.1. Treasurer's Report

Trustee Tulloch provided an overview of the bills that have been paid.

H.2. District General Manager's Report

District General Manager Winquest provided an overview of the General Manager's report.

I. REDACTIONS FOR PENDING PUBLIC RECORDS REQUESTS*

There were none.

J. REVIEW OF THE LONG RANGE CALENDAR (for possible action)

District General Manager Winquest provided an overview of the long range calendar.

K. BOARD OF TRUSTEES UPDATE

Chairman Dent mentioned that the survey for the Incline Beach Facility went out and it is set to close on 4/14 at 9 a.m.

L. FINAL PUBLIC COMMENTS*

Jack Dalton thanked Trustee Tonking for bringing up the third rail subject of the golf because there is a lot of community interest and unfortunately not very much publicity which is what IVGID does not bless the community with. He continued that they don't have much information; he is not throwing stones and he is just stating they don't have information. He stated that he has a lie detector test for the Trustees and he is going to see who read all 1023 pages of the Board packet and understood all of the information; it is too much and 4 days is too short. He referenced the expenses and stated the meetings should be at the Chateau as the place was packed and the golfers are going to be out in full; he thinks it was a pretty civil meeting relatively speaking but a few months ago, there were 3 sheriffs when the place was also packed which was he does not think was necessary. He stated that the issue with the livestream is not new; it has happened several times before and the question is why; it is unacceptable that the members of the public do not have the ability to make a public comment.

Cliff Dobler commented that in the capital budget, there was 3.8 million dollars for several years to do the ski way and diamond peak parking and all of the sudden that has been eliminated and now it is only \$480K; this needs clarification. He referenced Granite and stated it is disturbing regarding the complete conflict of interest that Granite has; they were hired to help and they did the estimate in December of 2022; he thought it was done by HDR. He continued that they prepared the estimate with 23 line items and then come back 4 months later with the same 23 line items with the cost escalating on the overall aggregate by 42.6% and yet he has heard nothing from the Board about going back to Granite to find out why there are large discrepancies occurred; some of them were 600%. He stated he does not get it and how the District can proceed this way as it is the largest project ever taken on by IVGID and it is not off to a good start; there has already been 5.5 million dollars destroyed and he would like to see someone get a hold of it because it is not going well. He continued that he knows the Board was put up against a wall but it is the Community's money and it is not being spent well. He stated he would like the Board to take a look at the 5 year cash flow; he spent a lot of time making it simple to understand and determine the recreation fee; he thinks that it is the format that should be used because any other format is hard to understand.

M. ADJOURNMENT (for possible action)

The meeting was adjourned at 8:25 p.m.

Respectfully submitted,

Melissa N. Robertson
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 Chairman Dent

Submitted by Myles Riner

Submitted by Trish McKowen

Submitted by Aaron Katz

Submitted by Cliff Dobler

We're a Board to represent the ENTIRE community, not special interests; not the dog owners, not the golfers, not the skiers, not the pickleball players, but the ENTIRE community. We all work very hard and listen to the perspectives of all, and yes, we listen to special interest groups, but then we MUST make decisions that will sustain our venues for years to come.

Instead of inciting divisiveness, filing, and sharing alleged ethics violations, asking for resignations and other non-productive community dividing activities, how about a better approach?

How about demonstrating for our youth how adults can listen to and understand the perspectives of others and how compromise is attained for the benefit of the ENTIRE community? The District resources, including staff and available funds, are limited. Choices must be made as how best to utilize those resources for a sustainable future.

I would like to touch on a few of these allegations that are circulating.

First, regarding the alleged ethics violations. Anyone may FILE an ethics complaint. The complaint is confidential, even to the person for which the complaint was filed and they won't be aware UNTIL the commission determines it is worth investigating. At that point, the Ethics Commission will notify the person there is an investigation underway. That timeline to determine if an investigation is warranted could take several weeks and even months. The ONLY way this complaint is known is because the person who filed it shared the filing publicly.

Again, anyone can FILE a complaint and ONLY after finding an issue is the District informed. It's unfortunate people publicly shared their filed complaints as if there was a violation. They shared what they FILED, not what was deemed a violation. I personally believe there will be nothing deemed to be in violation of any Statutes and believe I have filed my Financial Disclosure Statements correctly over the last 9 years. This is 3rd time I have addressed this issue in the last 6 years. Regarding the allegations of Trustee Tulloch, I do not see the conflict and if there is an

issue I am sure we will hear from Ethics. When conflicts arise Trustees can seek guidance from Ethics on how to handle a situation this could be abstaining from voting, acknowledging but still voting and Ethics Department is very helpful in guiding the right approach in this process. All the Trustees except for Trustee Noble and even our GM had a or multiple ethics complaints filed against them, Trustee Noble just hasn't been on the Board long enough. To my knowledge, nothing has come from these previous and current complaints filed against this Board or our GM.

Moving on, over the last couple months we have received allegations questioning Trustee Tonking's residency in Incline Village. I have responded verbally and via email, however, in consultation with our Audit Committee Chair Chris Nolet, I feel like this is another item we should address. Trustee Tonking notified me that the first quarter of this year would be busy for her work schedule, and she would be attending several meetings via Zoom during this time. Trustee Tonking still resides in Incline Village and we are happy to have her attend meetings in person, when she can, just like tonight.

Lastly, Trustee Schmitz referenced budget numbers for golf at the March 8th meeting and again at the April 5th meeting. These numbers can be found on the IVGID website and I have seen no intent by Trustee Schmitz to lie or misrepresent the numbers. When we misspeak, we are happy to correct the record such as Trustee Tulloch did last meeting regarding a quick calculation he did in his head. We have taken a deep dive into Golf financials this year to truly understand where and how we can improve while creating sustainability.

Moving forward, I feel people need to find constructive ways to discuss issues and seek compromise instead of upsetting and dividing our community.

Our board is working with staff and the community to seek out and find compromise. It would be better to have meaningful dialog rather than

organized divisiveness. Emails are not a substitute for meaningful dialog and human interaction.

As Board Chair, I am asking for community members to respectfully share their perspective with the Board and understand the Trustees are elected to make difficult decisions, decisions are based on fairness to all and sustainability of our venues in the best interest of the ENTIRE community. Thank you.

Dr. Myles Riner
Incline Village

Today I would like to talk about the Flash Vote survey on the Beach House renovation for Incline Beach that just was emailed out today.

Let me just mention a few questions about using Flash Vote surveys to get a feel for the preferences of Incline Residents.

Was this survey sent only to people who signed up to participate in Flashvote surveys, or were other residents invited to respond? How does Flashvote validate the people who sign up to participate in these surveys? The Flashvote website has no reference to any independent analysis or validation of the Flashvote process, nor can I find one on the Internet. With only 2 days to respond to the survey, the risk is even greater that some might try to rally selected participants to be sure to respond to the survey, and be sure to respond in a particular way, so as to skew the results. You trustees should know the answers to these questions.

You deferred this Beach House survey to give you time to make sure that the survey questions were fair and unbiased. Unfortunately, it is neither. The survey made no effort to inform respondents about the Beach House issues before asking the survey questions. For example, no mention of the \$4.5 Million dollars that have already been set aside for this project from several prior years of Rec Fee collections. No discussion of what kinds of improvements and amenities have been proposed for the Beach House, and how much each might cost. These are critical facts.

There is a clear bias in the way these survey questions were constructed: to validate the preference of the majority on the Board to spend as little as possible on this project. For example, the question regarding costs for the project talks about the total cost per parcel owner for each level of spending, but ignores the \$4.5 Million already set aside for the project. It also ignores the ^{likelihood} ~~chance~~ that this project would be funded over twenty or thirty years, increasing the additional ANNUAL REC FEE by a nominal \$25 or \$50 at most. There was no mention of what amenities this additional funding would purchase.

as if it would be assessed as a lump sum in a single year.

Soon Incline residents will lose access to the Lone Eagle and the Nest. Our community deserves to have a well-designed, well-constructed and first-class operation at Incline Beach that serves great food and drink; one that meets the high standard for recreational facilities in our community. We don't need t a restricted-budget cut-rate Beach House with limited services, inadequate seating, and a shoddy appearance. I urge you to ignore the results of this clearly biased survey.

I'm Trish McKowen. My family moved to Incline Village 55 years ago when my dad, Jay Johnson got a job working for Boise Cascade selling many of the lots on the golf course in the 1960's. He was an avid golfer and Club Champion and like many of the early residents of Incline I understand the IVGID model with all the recreational amenities... and how, at each one of these venues, the priority has always been the property owners.

Full Transparency, I have been an IVGID employee 3 different times, First at age 13 working at the Burnt Cedar Snack Bar, Second, 7 years as a lifeguard and Third as Personal Trainer at the Rec Center. I was taken aback when it was disclosed at the last meeting that Cliff Dobler was kicked off the golf course after harassing and mistreating IVGID employees.

Knowing this, I need to bring up what was shared at the last board meeting by another concerned citizen... that being the conflict of interest that Trustees, Tulloch, Schmitz, and Dent appear to have with Cliff Dobler. Undisclosed campaign donations and million dollar plus loans to Trustee Dent. That resident has filed an ethics violation with the Nevada division of boards and commissions for these conflicts of interest.

Personally, I have never met Mr. Dobler, he speaks at every board meeting like a master puppeteer trying to further his personal agenda. Do any of us know if the **three board members** with conflicts of interest are buying everything that Mr. Dobler is selling? Does anyone really know what his agenda is? I believe we should all be concerned.

At the last meeting we heard from several very smart people like Mr. Homan who is on the audit committee, spending over 70 hours to get the board up to speed on the golf course financials, providing a clear financial picture for the Trustees to make informed decisions regarding golf rates. I understand after receiving those financials Trustee Schmitz was quoted in The Tahoe Tribune as saying, "Given the data we've had tonight, we can see there's a considerable amount of confusion." Confusion or maybe a considerable amount of work to do to get it right. Who is confused, the audit committee member who worked for decades as a CFO at one of the largest companies in America. Are the residents confused because certain board members are still throwing out erroneous numbers which the report said have no basis in reality. Or is it certain board members who are confused because they don't seem to understand the exorbitant rate increases and how eliminating the All You Can Play pass will impact the golf resident community. So much for prioritizing the residents. The Duncan Courses and The Tahoe Mountain Club are aware and are reaching out to the Incline golf community with more affordable options. To me this is truly shameful, you're retired and on a fixed income and you can't afford to play golf in your hometown on courses that were created for your benefit.

Before speaking tonight, I called my 88-year-old mother Barbara who happens to have a street in town named after her. I told her IVGID nonresident employees can no longer go to the beach. Dad's favorite sport golf is in peril with the All You Can Play Pass on the Chopping Block. Plans are underway to build a multi-million-dollar dog park. I once asked Trustee Schmitz, "What do you think is the number one priority facing our community? She said, "A dedicated dog park." Really, I think it's "Affordable Housing, for our teachers, service, and essential workers, maybe there's a way to scrap the multi-million-dollar dog park to shore up the golf courses and repurpose the dog park property for much needed affordable housing.

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR APRIL 12, 2023 MEETING – AGENDA
ITEM G(6) – TENTATIVE BUDGET – BAMBOOZING THE BOARD INTO APPROVING
THE PAYMENT OF UP TO AN ADDITIONAL \$313,637 IN SALARIES FOR THE
HIRING OF A SCANT THREE (3) NEW EMPLOYEES**

Introduction: Well “here’s another one” according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently and fairly provided by another district³, or Washoe County, or more preferably, IVGID should simply be dissolved³ altogether! However in the interim, and in order to provide evidence in support of dissolution, let’s examine another example of the waste and ends justifying means mentality which permeates the District and in the end costs local parcel/dwelling unit owners. And here it’s another mis-use. Deceitfully securing the Board’s consent for staff to hire three new colleagues of their own increasing our bloated personnel costs by \$224,026-\$313,637 just in salaries! And that’s the purpose of this written statement.

Prologue: The Board packet for this meeting that consists of 1,020 pages⁴. Which is not even made available to the Board nor the public for examination until the Friday evening before the meeting at 7:23 P.M. The Friday evening before the beginning of a weekend. A holiday weekend no less (Easter). Are you kidding me? What happened to the Board’s edict that Board packets must be completed and made available to the Board and the public which have asked to receive the same at

¹ Go to <https://www.djkhaledofficial.com/>.

² NRS 318.515(1)(a) and 318.515(3)(a)-(d) instruct that “upon notification by the Department of Taxation or upon receipt of a petition signed by 20 percent of the qualified electors of the district, that...a district of which the board of county commissioners is not the board of trustees is not being properly managed...the board of county commissioners of the county in which the district is located shall hold a hearing to consider...(a) adopt(ion of) an ordinance constituting the board of county commissioners, *ex officio*, as the board of trustees of the district; (b) adopt(ion of) an ordinance providing for the merger, consolidation or dissolution of the district...(c) fil(ing) a petition in...district court for the...appointment of a receiver for the district; or, (d) determin(ing) by resolution that management and organization of the district...remain unchanged.”

³ NRS 318.490(1)-(2) instruct that “whenever a majority of the members of the board of county commissioners...deem it to be in the best interests of the county and of the district that the district be merged, consolidated or dissolved, or if the board of trustees of a district, by resolution...agrees to such a merger, consolidation or dissolution, the board of county commissioners shall so determine by ordinance, (that)...(b) the services of the district are no longer needed or can be more effectively performed by an existing unit of government (or)...that the district should be dissolved, merged or consolidated.”

⁴ Go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/J._-_Long_Range_Calendar4.12.pdf.

least a week before a meeting? This behavior is outrageous inasmuch as *no one* has the time to read and understand this much material within the short period of time proffered. It's almost as if staff are intentionally attempting to overload the agenda for Board meetings in the hope these matters will simply be "rubber stamped" by the Board rather than critically examined. Like I said, outrageous! And it explains why I simply do not have the time to do the Board's job of critically examining and questioning matters brought forward for possible action. So I must compromise and do the best that I can. And here's it's using the RFF/BFF for expenditures having nothing to do with furnishing the availability for my local Incline Village parcel, which is involuntarily assessed, to access and use public recreation facilities (insofar as the RFF is concerned) and beach facilities (insofar as the BFF is concerned)⁵ upon the condition I augment that purchase with user fees.

My E-Mail of April 12, 2023: With that said, on April 12, 2023 I sent the Board an e-mail⁶ alerting members to the fact that staff were about to add three (3) additional full time employees to an already bloated corps, and increasing our outrageous personnel salary costs by \$224,026-\$313,637 plus COLA increases of 7%-9% plus benefits and undisclosed hiring benefits.

Conclusion: There's only one way to deal with these people Board members. First, expressly don't approve the hiring of these three new employees. If our GM thinks he needs them; then exercise the authority you already have and use existing budgeted amounts to pay their salaries and benefits. Second, do *not* increase tentatively budgeted personnel costs. Keep them where they are and let staff figure out how to spend within their means. Finally, I thought the Board was hiring a consultant to evaluate our employee needs, their scope of work, their efficiencies/lack thereof, and their fair compensation. We need such a consultant more than we need these three (3) new proposed employees.

And You Wonder Why the RFF and BFF Which Pay For This and Other Similar Waste Local Parcel/Dwelling Unit Owners Are Forced to Involuntarily Pay is Out of Control? I've now provided more answers.

Respectfully, Aaron Katz (Your Community Watchdog Because Nearly No One Else Seems to be Watching).

⁵ This what staff tell us the RFF/BFF pay for [see pages 999-1000 of the packet of materials prepared by staff in anticipation of this April 12, 2023 Board meeting ("the 4/12/2023 Board packet")].

⁶ That e-mail is attached as Exhibit "A" to this written statement. Rather than restating its contents, the reader is encouraged to examine the same him/herself.

EXHIBIT "A"

Re: April 12, 2023 Board Meeting - Agenda Item G(6) - As If Our Personnel Corps Were Not Grossly Overstaffed, Now Staff Want Approval to Spend an Additional \$\$224,026-\$313,637 Just in Salaries For Three More of Their Own

From: <s4s@ix.netcom.com>
To: Dent Matthew <dent_trustee@ivgid.org>
Cc: Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>
Subject: Re: April 12, 2023 Board Meeting - Agenda Item G(6) - As If Our Personnel Corps Were Not Grossly Overstaffed, Now Staff Want Approval to Spend an Additional \$\$224,026-\$313,637 Just in Salaries For Three More of Their Own
Date: Apr 12, 2023 2:28 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

The Board packet for this meeting that consists of and unbelievable 1,020 pages. Which was not even made available to the Board nor the public for examination until the Friday evening before this upcoming meeting at 7:23 P.M. The Friday evening before the beginning of a weekend. Are you kidding me?

What happened to the Board's edict that Board packets must be completed and made available to the Board and the public which have asked to receive the same at least a week before a meeting? This behavior is outrageous inasmuch as *no one* has the time to read and understand this much material within the short period of time proffered. I can't believe that you members do. Especially because I picked up my packet before any of you picked up yours (I could tell because all of your packets were sitting at the front door to the admin building, ready to be picked up).

It's almost as if staff are intentionally attempting to overload the agenda and overwhelm materials for Board meetings in the hope agenda matters will simply be "rubber stamped" by the Board rather than being critically examined and discussed. Like I said, outrageous!

And these facts help to explain why I simply do not have the time to do the Board's job of critically examining and questioning matters brought forward for possible action. So I must compromise and do the best I can. And for purposes of this compromise, it means asking questions of the Board I hope members will investigate and answer. So with that said,

I am so much bothered by pages 990-998 of the Board packet where Mr. Navazio tells us he wants the Board to approve, by de facto approval of his tentative budget, the hiring of three (3) additional employees (another HR Ass't, a Public Works Inspector II, and a Ski Operations Manager (I thought this is what Mike Bandelin is)] at a base salary cost of between \$224,026 - \$313,637 plus a 7%-9% COLA increase in salaries not incorporated into the schedule which appears at pages 055-056 of the May 26, 2022 Board packet.

It just goes on and on and the Board does nothing. Right? What's wrong with you people? What don't you get?

We don't have enough employees? We aren't paying them enough? We don't lose enough money each year operating a slew of money losing recreation businesses? We don't involuntarily assess local parcel owners enough to cover the financial shortfall between revenues and expenses assigned to our Community Services and Beach Funds?

Moreover, our GM already has the power to hire whoever he wants and to pay them whatever he wants because you as a Board have abdicated away your statutory duty "to hire and retain...employees...to effect the purposes of this chapter" (see NRS 318.180) and "to prescribe the(ir) duties...and fix their compensation" (see NRS 318.185). So why is he sticking job descriptions for these three new jobs into the tentative budget you are being asked to approve?

When are you going to put your collective feet down? And I thought the Board was going to retain a consultant to evaluate all of our employee positions, their scope of duties, their titling (i.e., directorships?) and their compensation. Shouldn't we be doing this before we hire more and more?

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR APRIL 12, 2023 MEETING – AGENDA
ITEM G(6) – TENTATIVE BUDGET – PAYING FOR AN ADMINISTRATIVE BUILDING
ASSESSMENT USING RECREATION (“RFF”) AND BEACH (“BFF”) FACILITY FEES
TO SUBSIDIZE OVERSPENDING IN THE DISTRICT’S GENERAL FUND**

Introduction: Well “here’s another one” according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently and fairly provided by another district³, or Washoe County, or more preferably, IVGID should simply be dissolved³ altogether! However in the interim, and in order to provide evidence in support of dissolution, let’s examine another example of the waste and ends justifying means mentality which permeates the District and in the end costs local parcel/dwelling unit owners. And here it’s another mis-use of our RFF/BFF. An Administration Building “assessment” billed to the General Fund. And that’s the purpose of this written statement.

Preface: As I’ve explained so many times before, our staff intentionally budget to overspend on expenses assigned to the General Fund. And oftentimes these expenses have nothing to do with advancing the District’s limited purposes and powers⁴. Nevertheless, rather than reducing

¹ Go to <https://www.djkhaledofficial.com/>.

² NRS 318.515(1)(a) and 318.515(3)(a)-(d) instruct that “upon notification by the Department of Taxation or upon receipt of a petition signed by 20 percent of the qualified electors of the district, that...a district of which the board of county commissioners is not the board of trustees is not being properly managed...the board of county commissioners of the county in which the district is located shall hold a hearing to consider...(a) adopt(ion of) an ordinance constituting the board of county commissioners, *ex officio*, as the board of trustees of the district; (b) adopt(ion of) an ordinance providing for the merger, consolidation or dissolution of the district...(c) fil(ing) a petition in...district court for the...appointment of a receiver for the district; or, (d) determin(ing) by resolution that management and organization of the district...remain unchanged.”

³ NRS 318.490(1)-(2) instruct that “whenever a majority of the members of the board of county commissioners...deem it to be in the best interests of the county and of the district that the district be merged, consolidated or dissolved, or if the board of trustees of a district, by resolution...agrees to such a merger, consolidation or dissolution, the board of county commissioners shall so determine by ordinance, (that)...(b) the services of the district are no longer needed or can be more effectively performed by an existing unit of government (or)...that the district should be dissolved, merged or consolidated.”

⁴ Such as reimbursing the District’s share of real property tax refunds due to invalid assessment practices. Or lobbying State legislators to support, oppose or influence legislation. Or paying attorney’s fees to end citizen Mark Smith’s public records concealment litigation. Or paying attorney’s

expenditures, staff have concocted a revenue source disingenuously called allocated central services costs which are allegedly paid for with transfers from the District's Utility, Community Services and Beach enterprise funds. But since staff budget to overspend in the District's Community Services Fund, and rather than cutting costs staff have concocted another disingenuous revenue source called the RFF, that overspending is subsidized by the RFF. And since staff budget to overspend in the District's Beach Fund, and rather than cutting costs staff have concocted another disingenuous revenue source called the BFF, this overspending is subsidized by the RFF/BFF. In other words, overspending/mis-spending in the District's General Fund is subsidized by RFF/BFF transfers from the District's Community Services/Beach Funds. And that's what we have here.

Prologue: The Board packet for this meeting that consists of 1,020 pages⁵. Which is not even made available to the Board nor the public for examination until the Friday evening before the meeting at 7:23 P.M. The Friday evening before the beginning of a weekend. A holiday weekend no less (Easter). Are you kidding me? What happened to the Board's edict that Board packets must be completed and made available to the Board and the public which have asked to receive the same at least a week before a meeting? This behavior is outrageous inasmuch as *no one* has the time to read and understand this much material within the short period of time proffered. It's almost as if staff are intentionally attempting to overload the agenda for Board meetings in the hope these matters will simply be "rubber stamped" by the Board rather than critically examined. Like I said, outrageous! And it explains why I simply do not have the time to do the Board's job of critically examining and questioning matters brought forward for possible action. So I must compromise and do the best that I can. And here's it's using the RFF/BFF for expenditures having nothing to do with furnishing the availability for my local Incline Village parcel, which is involuntarily assessed, to access and use public recreation facilities (insofar as the RFF is concerned) and beach facilities (insofar as the BFF is concerned)⁶ upon the condition I augment that purchase with user fees.

My E-Mail of April 12, 2023: With that said, on April 12, 2023 I sent the Board an e-mail⁷ alerting members to the fact staff have proffered a tentative budget that pays \$40K of RFF/BFF subsidies to the General Fund so staff have a funding source to pursue a spiffy new administration building having nothing to do with making the public's recreation and beach facilities available to be accessed and used by those local parcels/dwelling units which are involuntarily assessed.

fees to sue citizen Kevin Lyons for unfair business practices. Of donating public funds to favored non-profits like "We the People;" etc.

⁵ Go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/J._-_Long_Range_Calendar4.12.pdf.

⁶ This what staff tell us the RFF/BFF pay for [see pages 999-1000 of the packet of materials prepared by staff in anticipation of this April 12, 2023 Board meeting ("the 4/12/2023 Board packet")].

⁷ That e-mail is attached as Exhibit "A" to this written statement. Rather than restating its contents, the reader is encouraged to examine the same him/herself.

Conclusion: The RFF/BFF are supposed to be used for very specific and limited purposes dealing with the availability of public recreation privileges to those local parcels/dwelling units which are assessed. Yet instead, staff think these "fees" are available at their beck and call for essentially any expense of their choosing. And here it's a spiffy new admin building for staff. If you Board members can buy into this one, you can buy into essentially anything else. Which in the end costs we local parcel/dwelling unit owners because we're the ones who must pay. You need to put your collective feet down to the floor AND JUST SAY NO!

And You Wonder Why the RFF and BFF Which Pay For This and Other Similar Waste Local Parcel/Dwelling Unit Owners Are Forced to Involuntarily Pay is Out of Control? I've now provided more answers.

Respectfully, Aaron Katz (Your Community Watchdog Because Nearly No One Else Seems to be Watching).

EXHIBIT "A"

Fwd: April 12, 2023 Board Meeting - Agenda Item H(2) - Using the RFF/BFF to Pay For Staff's Spiffy New Admin Bldg Even Though it Has Zero to Do With Making Recreation or Beach Facilities Available For My Access and Use - DON'T YOU DARE

From: Judith Miller <pupfarm1@gmail.com>
 To: Aaron Katz <s4s@ix.netcom.com>
 Subject: Fwd: April 12, 2023 Board Meeting - Agenda Item H(2) - Using the RFF/BFF to Pay For Staff's Spiffy New Admin Bldg Even Though it Has Zero to Do With Making Recreation or Beach Facilities Available For My Access and Use - DON'T YOU DARE
 Date: Apr 12, 2023 2:40 PM

----- Forwarded message -----

From: <s4s@ix.netcom.com>
 Date: Wed, Apr 12, 2023 at 2:29 PM
 Subject: April 12, 2023 Board Meeting - Agenda Item H(2) - Using the RFF/BFF to Pay For Staff's Spiffy New Admin Bldg Even Though it Has Zero to Do With Making Recreation or Beach Facilities Available For My Access and Use - DON'T YOU DARE
 To: Dent Matthew <dent_trustee@ivgid.org>
 Cc: Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>

Chairperson Dent and Other Honorable Members of the IVGID Board -

The Board packet for this meeting that consists of an unbelievable 1,020 pages. Which was not even made available to the Board nor the public for examination until the Friday evening before this upcoming meeting at 7:23 P.M. The Friday evening before the beginning of a weekend. Are you kidding me?

What happened to the Board's edict that Board packets must be completed and made available to the Board and the public which have asked to receive the same at least a week before a meeting? This behavior is outrageous inasmuch as *no one* has the time to read and understand this much material within the short period of time proffered. I can't believe that you members do. Especially because I picked up my packet before any of you picked up yours (I could tell because all of your packets were sitting at the front door to the admin building, ready to be picked up).

It's almost as if staff are intentionally attempting to overload the agenda and overwhelm materials for Board meetings in the hope agenda matters will simply be "rubber stamped" by the Board rather than being critically examined and discussed. Like I said, outrageous!

And these facts help to explain why I simply do not have the time to do the Board's job of critically examining and questioning matters brought forward for possible action. So I must compromise and do the best I can. And for purposes of this compromise, it means asking questions of the Board I hope members will investigate and answer. So with that said,

I am so much bothered by page 874 of the Board packet where Mr. Navazio states that "At the Budget Workshop on April 5th the Board provided specific feedback...incorporated into the Tentative Budget...Admin Building Facility Assessment - \$40,000 has been added (General Fund)."

What's wrong with you people? What don't you get?

Staff and Mr. Navazio have an AGENDA. And it's counter to the NRS, and the interests of local parcel owners. And they don't care what they need to do to accomplish the same because in their view, the ends justify the means. How many times have I given you evidence of the same? How many more times are you going to require me to do this? Or is it YOU JUST DON'T CARE?

Staff INTENTIONALLY budget to overspend. They refuse to cut costs. And they don't care where the money comes from. So now they're proposing nearly \$2M of overspending in the General Fund. And their fix for the same is to transfer portions of the RFF from Community Services and the BFF from Beach into the General Fund under the guise the General Fund is providing vital services to these other departments which have to be paid for. Liar, liar, pants on fire!

So now we learn that not only do staff need these transfers to pay for the vital central services allegedly provided by the General Fund, but they require \$40,000 to pursue construction of a spiffy new Admin Bldg because that's what our admin staff require. Except that's NOT what the RFF/BFF are for. And each of you know this. Want a spiffy new admin bldg? Use the ad valorem taxes you receive each year. Or start operating the District's commercial recreation businesses at a profit.

But don't lie to me about what the RFF/BFF pay for, and then hijack my RFF/BFF to pay for your crappy admin bldg. Got it?

This is another example of why our staff are liars, people like me tell the truth, and you people attack the messenger. How about doing what's right for once? Reduce central services cost transfers by \$40K and KILL the admin building assessment CIP because staff doesn't have the money.

If you as a Board don't, then you're just as dirty as your staff...Again.

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR APRIL 12, 2023 MEETING – AGENDA
ITEM G(6) – REJECTION OF STAFF'S PROFFERED ALLOCATED CENTRAL SERVICES
COST PLAN GIVEN IT DOES NOT REPRESENT AN "EQUITABLE DISTRIBUTION OF
GENERAL OVERHEAD AND ADMINISTRATIVE COSTS INCURRED BY THE
DISTRICT'S GENERAL FUND (TO)...SUPPORT THE OPERATIONS OF
(ITS)...ENTERPRISE FUNDS"**

Introduction: Well "here's another one" according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently and fairly provided by another district³, or Washoe County, or more preferably, IVGID should simply be dissolved³ altogether! However in the interim, and in order to provide evidence in support of dissolution, let's examine another example of the waste and ends justifying means mentality which permeates the District and in the end costs local parcel/dwelling unit owners. And here it's another money losing PGA golf Junior League. And that's the purpose of this written statement.

Prologue: The Board packet for this meeting that consists of 1,020 pages⁴. Which is not even made available to the Board nor the public for examination until the Friday evening before the meeting at 7:23 P.M. The Friday evening before the beginning of a weekend. A holiday weekend no less (Easter). Are you kidding me? What happened to the Board's edict that Board packets must be

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² NRS 318.515(1)(a) and 318.515(3)(a)-(d) instruct that "upon notification by the Department of Taxation or upon receipt of a petition signed by 20 percent of the qualified electors of the district, that...a district of which the board of county commissioners is not the board of trustees is not being properly managed...the board of county commissioners of the county in which the district is located shall hold a hearing to consider...(a) adopt(ion of) an ordinance constituting the board of county commissioners, *ex officio*, as the board of trustees of the district; (b) adopt(ion of) an ordinance providing for the merger, consolidation or dissolution of the district...(c) fil(ing) a petition in...district court for the...appointment of a receiver for the district; or, (d) determin(ing) by resolution that management and organization of the district...remain unchanged."

³ NRS 318.490(1)-(2) instruct that "whenever a majority of the members of the board of county commissioners...deem it to be in the best interests of the county and of the district that the district be merged, consolidated or dissolved, or if the board of trustees of a district, by resolution...agrees to such a merger, consolidation or dissolution, the board of county commissioners shall so determine by ordinance, (that)...(b) the services of the district are no longer needed or can be more effectively performed by an existing unit of government (or)...that the district should be dissolved, merged or consolidated."

⁴ Go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/J._-_Long_Range_Calendar4.12.pdf.

completed and made available to the Board and the public which have asked to receive the same at least a week before a meeting? This behavior is outrageous inasmuch as *no one* has the time to read and understand this much material within the short period of time proffered. It's almost as if staff are intentionally attempting to overload the agenda for Board meetings in the hope these matters will simply be "rubber stamped" by the Board rather than critically examined. Like I said, outrageous! And this explains why I do not have the time to do the Board's job of critically examining and questioning matters brought forward for possible action. So I must compromise and do the best that I can. Call out issues for research and explanation.

Because The District is Required to Adopt a Central Services Cost Plan on a Non-Consent Item at a Regular Meeting of the Board⁵, Staff's Proposed Plan is Presented at Pages 893-895 of The Packet of Materials Prepared by Staff in Anticipation of This Board Meeting⁶ ("the 4/12/2023 Board Packet") For Tentative Approval:

But According to NAC 354.867, The "Plan" *Must* be Supported by Facts of The Following:

"1. That the costs which may be allocated to an enterprise fund of a local government pursuant to paragraph (c) of subsection 1 of NRS 354.613 must be reasonable...and include only the amounts remaining after the deduction of any applicable credits. The costs must also be:

(a) Necessary and reasonable for the proper and efficient administration and performance of the enterprise fund;

(b) Consistent with policies, regulations and procedures that apply uniformly to the enterprise fund and other activities of the local government;

(c) Determined in accordance with generally accepted accounting principles; and,

(d) Documented adequately for independent verification.

2. In determining whether a cost is a reasonable cost for the purposes of subsection 1, consideration must be given to:

(a) Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the enterprise fund;

⁵ See NRS 354.613(1)(c) which states that "the loan or transfer proposed to be made...for a cost allocation for employees, equipment or other resources related to the purpose of the enterprise fund (must be)...approved by the governing body under a nonconsent item that is separately listed on the agenda for a regular meeting of the governing body."

⁶ Go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/G.6._-_General_Business_-_Form_4404LGF.pdf.

(b) Whether the cost is consistent with sound business practices, the indicia of an arm's length transaction, and the requirements and restraints imposed by state laws and regulations;

(c) The market prices for comparable services or property;

(d) Whether the persons incurring the cost acted with prudence under the circumstances considering their responsibilities to each pertinent governmental unit and its employees, and to the general public; and

(e) Any significant deviations from the established practices of the local government that may have unjustifiably increased the cost."

Facts Which Support The Above Findings Are NEVER Presented to the Board: And in my opinion, they must. Even the most cursory of examinations of the materials in support of this agenda item reveals that the so called General Fund expenses which are proposed to be transferred from the Utility, Community Services and Beach Funds do not satisfy the above-requirements. Which would make approval of the proposed Plan arbitrary, capricious, the product of an abuse of discretion and invalid.

Contrary to Staff's Representations, The District's Central Services Cost Plan Represents Nothing More Than a Financial Subsidy For All Overspending Assigned By Staff to the District's General Fund: For decades prior to the adoption of NRS 354.613⁷ in 2011, IVGID staff routinely transferred sums from the District's Utility and Community Services enterprise funds to its General Fund without consequence. Similarly, after the Beach enterprise fund was created in 2008⁸, transfers from the Beach Fund to the District's General Fund also took place without consequence. And admittedly⁹, their stated intent was nothing more than to cover the financial shortfall between revenues and overspending assigned by staff to the General Fund.

Although after enactment of NRS 354.613 the Board adopted a Central Services Cost Allocation Plan which its members asserted represented an "equitabl(e) distribut(ion of) general, overhead and administrative costs Incurred by the District's General Fund (to)...support the operations of (its)... Enterprise Funds¹⁰, in-truth-and-in-fact the transfers were as they had always been; to cover the

⁷ Which *prevents* "the governing body of a local government (from)...loan(ing) or transfer(ing) money from an enterprise fund, money collected from fees imposed for the purpose for which an enterprise fund was created, or any income or interest earned on money in an enterprise fund" but for very limited purposes.

⁸ See Resolution No. 1783.

⁹ See note 12, on page 44, of the District's 2004-05 Comprehensive Annual Financial Report ("the 2004-05 CAFR").

¹⁰ See page 043 of the packet of materials prepared by staff in anticipation of the Board's May 26, 2022 meeting ("the 5/26/2022 Board packet").

financial shortfall between revenues and expenses assigned to the General Fund. In fact, on May 26, 2022 staff inadvertently admitted this fact:

Although staff represent that only “eighty percent (80%) of...eligible costs of the Accounting budget is allocated based on budgeted non-personnel costs exclusive of capital and debt transfers,” and “one-hundred percent (100%) of (the) costs of the Human Resources budget plus twenty percent (20%) of the eligible costs of the Accounting budget are (similarly) allocated based on...full-time equivalent (FTE) positions,”¹⁰ the truth of the matter is that those transfers extend to *all* non-personnel costs assigned to this fund exclusive of capital and debt. Page 114 of the 5/26/2022 Board packet depicts a summary of estimated 2022-23 sources (i.e., revenues) and uses (i.e., expenses) budgeted to the District’s General Fund. That is \$4,117,002 of revenues, and \$6,773,405 of expenses¹¹. Given budgeted personnel costs total \$4,279,462, and budgeted capital improvement (“CIP”) costs total \$633,000, *all* remaining expenses assigned to the District’s General Fund total \$1,860,943. And given there are \$1,887,589 of budgeted central services cost transfers, it’s clear that this subsidy really pays for *all* remaining operational expenses and *not* just those assigned to Accounting and Human Resources.

Let’s go through the same analysis for staff’s proposed 2023-24 budget and Allocated Central Services Cost Plan. Page 890 of the 4/12/2023 Board packet depicts a summary of tentative estimated 2023-24 sources and uses budgeted to the District’s General Fund. That is \$4,657,977 of revenues, and \$6,019,847 of expenses¹². Given tentative personnel costs total \$4,913,733, and tentative CIP

¹¹ The summary only discloses \$4,885,816 of expenses. But this number is deceitful inasmuch as \$1,887,589 of central services cost revenue is depicted as a negative expense. When this negative is reversed and removed, the reader is left with \$6,773,405 of expenses just as I represent!

¹² The summary discloses \$6,019,847 of expenses. But this number is deceitful inasmuch as \$1,957,320 of central services cost revenue is depicted as a negative expense. When this negative is reversed and removed, the reader is left with \$7,977,167 of expenses; a net \$1,361,870 financial shortfall! At Trustee Schmitz’s urging that the payment of expenses assigned to the District’s public parks be assigned to its General Fund, and at the Board’s February 22, 2023 meeting, staff recommended an additional \$1,176,529 of transfers be made to the General Fund to pay for IT expenses, as “the preferred means to create budget capacity in (the) General Fund” [see pages 150-151 of the packet of materials prepared by staff in anticipation of the Board’s February 22, 2023 meeting (“the 2/22/2023 Board packet”)]. Therefore proposed central services cost transfers were increased by \$1,012,968 from \$2,033,230 [see page 076 of the packet of materials prepared by staff in anticipation of the Board’s January 25, 2023 meeting (“the 1/25/2023 Board packet”)] to \$3,046,198 [see page 12 of the packet of materials prepared by staff in anticipation of the Board’s March 22, 2023 meeting (“the 3/22/2023 Board packet”)]. Given staff have not yet finalized the central services cost transfers it is recommending (see page 895 of the 4/12/2023 Board packet), in fact it has highlighted in yellow the possible amounts to be assigned to “Parks,” I suspect the negative \$1,361,870 will be eliminated by either removing expenses assigned to “Parks” from the General Fund tentative budget, or increasing central services cost transfers by a like amount. In either event, it will

costs total \$615,000, *all* remaining tentative expenses assigned to the District's General Fund total \$491,114. And given there are \$1,957,320 of tentative proposed central services cost transfers¹³, it's clear that this subsidy really pays for *all* remaining operational expenses and *not* just those assigned to Accounting and Human Resources. In fact, they really pay for *MORE*¹⁴!

Accordingly, Just Like The Recreation Facility Fee ("RFF") Represents a Subsidy Which Plugs the Financial Shortfall Between Revenues and Expenses Assigned to The General Fund, and The Beach Facility Fee ("BFF") Represents a Subsidy Which Plugs the Financial Shortfall Between Revenues and Expenses Assigned to The Beach Fund, Central Services Cost Transfers Represent a Subsidy Which Plugs the Financial Shortfall Between Revenues and Expenses Assigned to The General Fund:

My E-Mail of April 12, 2023: With that said, on March 26, 2023 I sent the Board an e-mail¹⁵ asking members *not* approve staff's proposed allocated central services cost plan for many of the reasons noted herein. The reader is directed to that e-mail for further particulars.

Conclusion: One can affix any label one wants to the financial subsidy staff calls central services cost transfers. And one can come up with any methodology one wants which produces the end results staff intends. But at the end of the day a subsidy is still a subsidy. And just as just as we represent, central services cost transfers represent nothing more than a financial subsidy which plugs the shortfall between budgeted revenues and operational expenses assigned to the General Fund.

And You Wonder Why the RFF and BFF Which Pay For This and Other Similar Waste Local Parcel/Dwelling Unit Owners Are Forced to Involuntarily Pay is Out of Control? I've now provided more answers.

Respectfully, Aaron Katz (Your Community Watchdog Because Nearly No One Else Seems to be Watching).

become apparent that these transfers represent the financial shortfall between revenues and expenses assigned to the General Fund, almost to the penny!

¹³ See page 895 of the 4/12/2023 Board packet.

¹⁴ At least the \$1,361,870 of positive cash flow (see page 895 of the 4/12/2023 Board packet) which can be transferred to excess fund balance to fund construction of a new administration building.

¹⁵ That e-mail is attached as Exhibit "A" to this written statement. Rather than restating its contents, the reader is encouraged to examine the same him/herself.

EXHIBIT "A"

Re: April 12, 2023 Board Meeting - Agenda Item G(6) - REJECT STAFF'S PROFFERED ALLOCATED CENTRAL SERVICES COST PLAN GIVEN IT REALLY DOES NOT REPRESENT AN "EQUITABLE DISTRIBUTION OF GENERAL OVERHEAD AND ADMINISTRATIVE COSTS INCURRED BY THE DISTRICT'S GENERAL FUND (TO)...SUPPORT THE OPERATIONS OF (ITS)...ENTERPRISE FUNDS"

From: <s4s@ix.netcom.com>
To: Dent Matthew <dent_trustee@ivgid.org>
Cc: Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <lonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>
Subject: Re: April 12, 2023 Board Meeting - Agenda Item G(6) - REJECT STAFF'S PROFFERED ALLOCATED CENTRAL SERVICES COST PLAN GIVEN IT REALLY DOES NOT REPRESENT AN "EQUITABLE DISTRIBUTION OF GENERAL OVERHEAD AND ADMINISTRATIVE COSTS INCURRED BY THE DISTRICT'S GENERAL FUND (TO)...SUPPORT THE OPERATIONS OF (ITS)...ENTERPRISE FUNDS"
Date: Apr 12, 2023 1:05 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

The Board packet for this meeting that consists of and unbelievable 1,020 pages. Which was not even made available to the Board nor the public for examination until the Friday evening before this upcoming meeting at 7:23 P.M. The Friday evening before the beginning of a weekend. Are you kidding me?

What happened to the Board's edict that Board packets must be completed and made available to the Board and the public which have asked to receive the same at least a week before a meeting? This behavior is outrageous inasmuch as *no one* has the time to read and understand this much material within the short period of time proffered. I can't believe that you members do. Especially because I picked up my packet before any of you picked up yours (I could tell because all of your packets were sitting at the front door to the admin building, ready to be picked up).

It's almost as if staff are intentionally attempting to overload the agenda and overwhelm materials for Board meetings in the hope agenda matters will simply be "rubber stamped" by the Board rather than being critically examined and discussed. Like I said, outrageous!

And these facts help to explain why I simply do not have the time to do the Board's job of critically examining and questioning matters brought forward for possible action. So I must compromise and do the best I can. And for purposes of this compromise, it means asking questions of the Board I hope members will investigate and answer. So with that said,

Because the District is required to adopt a Central Services Cost Plan on a non-consent item at a regular meeting of the Board [see NRS 354.613(1)(c)], staff have included a Proposed Plan at Pages 893-895 of the Board packet for tentative approval. But According to NAC 354.867, the "Plan" *Must* be supported by facts of the following

:"1. That the costs which may be allocated to an enterprise fund of a local government pursuant to paragraph (c) of subsection 1 of NRS 354.613 must be reasonable...and include only the amounts remaining after the deduction of any applicable credits. The costs must also be:

- (a) Necessary and reasonable for the proper and efficient administration and performance of the enterprise fund;
- (b) Consistent with policies, regulations and procedures that apply uniformly to the enterprise fund and other activities of the local government;
- (c) Determined in accordance with generally accepted accounting principles; and,
- (d) Documented adequately for independent verification.

2. In determining whether a cost is a reasonable cost for the purposes of subsection 1, consideration must be given to:

- (a) Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the enterprise fund;
- (b) Whether the cost is consistent with sound business practices, the indicia of an arm's length transaction, and the requirements and restraints imposed by state laws and regulations;
- (c) The market prices for comparable services or property;
- (d) Whether the persons incurring the cost acted with prudence under the circumstances considering their responsibilities to each pertinent governmental unit and its employees, and to the general public; and
- (e) Any significant deviations from the established practices of the local government that may have unjustifiably increased the cost."

But Facts Which Support The Above Findings Are *NEVER* Presented to the Board: And in my opinion, they *must*. Until those facts are supported, I hope eac

Moreover, if you go through the mechanics, you will discover that staffs' Plan represents nothing more than a financial subsidy for the financial shortfall betw

Just like the RFF represents a financial subsidy for overspending assigned to the Community Services Fund. And the BFF represents a financial subsidy for

Conclusion: One can affix any label one wants to the financial subsidy staff calls central services cost transfers. And one can come up with any methodology one wants which produces the end results staff intends. But at the end of the day a subsidy is still a subsidy. And just as just as I represent, central services cost transfers represent nothing more than a financial subsidy which plugs the financial shortfall between budgeted revenues and operational expenses assigned to the General Fund. DON'T let staff get away with this. And force them to prove facts which support the findings NAC 354.867 mandates you find. Because they don't exist.

If you do as I suggest does it mean that staff won't have the funds it needs to continue overspending in the General Fund? You bet! But isn't it time you started doing the right thing rather than playing with our finances because the ends justify the means?

And You Wonder Why the RFF and BFF Which Pay For This and Other Similar Waste Local Parcel/Dwelling Unit Owners Are Forced to Involuntarily Pay is Out of Control? I've now provided more answers. Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR APRIL 12, 2023 MEETING – AGENDA
ITEM C – PUBLIC COMMENT – ANOTHER MONEY LOSING RECREATION SUBSI-
SIZED BY THE RECREATION (“RFF”) AND BEACH (“BFF”) FACILITY FEES –
THE JUNIOR LEAGUE**

Introduction: Well “here’s another one” according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently and fairly provided by another district³, or Washoe County, or more preferably, IVGID should simply be dissolved³ altogether! However in the interim, and in order to provide evidence in support of dissolution, let’s examine another example of the waste and ends justifying means mentality which permeates the District and in the end costs local parcel/dwelling unit owners. And here it’s another money losing PGA golf Junior League. And that’s the purpose of this written statement.

Prologue: The Board packet for this meeting that consists of 1,020 pages⁴. Which is not even made available to the Board or the public for examination until the Friday evening before the meeting at 7:23 P.M. The Friday evening before the beginning of a weekend. Are you kidding me? What happened to the Board’s edict that Board packets must be completed and made available to the Board and the public which have asked to receive the same at least a week before a meeting? This behavior is outrageous inasmuch as *no one* has the time to read and understand this much material

¹ Go to <https://www.djkhaledofficial.com/>.

² NRS 318.515(1)(a) and 318.515(3)(a)-(d) instruct that “upon notification by the Department of Taxation or upon receipt of a petition signed by 20 percent of the qualified electors of the district, that...a district of which the board of county commissioners is not the board of trustees is not being properly managed...the board of county commissioners of the county in which the district is located shall hold a hearing to consider...(a) adopt(ion of) an ordinance constituting the board of county commissioners, *ex officio*, as the board of trustees of the district; (b) adopt(ion of) an ordinance providing for the merger, consolidation or dissolution of the district...(c) fil(ing) a petition in...district court for the...appointment of a receiver for the district; or, (d) determin(ing) by resolution that management and organization of the district...remain unchanged.”

³ NRS 318.490(1)-(2) instruct that “whenever a majority of the members of the board of county commissioners...deem it to be in the best interests of the county and of the district that the district be merged, consolidated or dissolved, or if the board of trustees of a district, by resolution...agrees to such a merger, consolidation or dissolution, the board of county commissioners shall so determine by ordinance, (that)...(b) the services of the district are no longer needed or can be more effectively performed by an existing unit of government (or)...that the district should be dissolved, merged or consolidated.”

⁴ Go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/J._-_Long_Range_Calendar4.12.pdf.

within the short period of time proffered. It's almost as if staff are intentionally attempting to overload the agenda for Board meetings in the hopes these matters will simply be "rubber stamped" by the Board rather than being critically examined. Like I said, outrageous! And it explains why I simply do not have the time to being the Board's job of critically examining and questioning matters brought forward for possible action. So I must compromise and do the best I can.

My E-Mail of March 26, 2023: With that said, on March 26, 2023 I sent the Board a copy of an e-mail I sent to our General Manager⁵ asking a number of questions pertaining to the District's participation in the Professional Golf Association's ("PGA's") Junior league program. Did Indra respond? Were and are my suspicions unwarranted? I don't think so!

Conclusion: No matter what it is, District staff by and large are not able to administer anything on a revenue neutral nor positive cash flow basis. And here's another example. And if one takes this example, changes the name of the program to one offered through the auspices of the Recreation Center, and then multiplies itself by 105 or more, one may be able to understand how the Recreation sub-fund loses in excess of \$1 million annually.

And You Wonder Why the RFF and BFF Which Pay For This and Other Similar Waste Local Parcel/Dwelling Unit Owners Are Forced to Involuntarily Pay is Out of Control? I've now provided more answers.

Respectfully, Aaron Katz (Your Community Watchdog Because Nearly No One Else Seems to be Watching).

⁵ That e-mail is attached as Exhibit "A" to this written statement. Rather than restating its contents, the reader is encouraged to examine the same him/herself.

EXHIBIT "A"

A Study in IVGIDomics - The PGA Junior League

From: <s4s@ix.netcom.com>
To: Dent Matthew <dent_trustee@ivgid.org>
Cc: Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>, <ISW@ivgid.org>
Subject: A Study in IVGIDomics - The PGA Junior League
Date: Mar 26, 2023 11:51 AM

Chairperson Dent and Other Honorable Members of the IVGID Board -

I keep telling you the closer you look, the dirtier it gets. And here again, I feel we have evidence of the principle stated. It's called the PGA Junior League.

If you're not familiar with the program you can read about it here:
<https://www.yourtahoepace.com/events/pga-junior-league>.

According to the District, the "PGA Junior League is open to intermediate golfers ages 7 – 13. There will be 2-3 scheduled practices and 4 matches during the summer months." The "fee (is) \$199 per player (\$99 collected at registration online + \$100 for Coaches and facility fee collected in the Golf Shop."

Okay. So for the benefit of us all, please answer my questions Indra:

1. Is this program available to the general public as a whole? Or just the kids of local parcel owners?
2. Who gets the \$99 collected at registration online? Is it the PGA?
3. Who gets the \$100 for coaches and facility fee? Does it all go to IVGID as revenue? Or does part of it go to the coaches and part to IVGID as a facility fee? And if the latter, what is the division between coaches and IVGID?
4. What do participants pay for use of our golf courses for "2-3 scheduled practices and 4 matches?" Or is the fee for that use included within the \$100 collected in the Golf Shop?"
- 5.. Will any of the "4 matches during the summer months" be held at one of our IVGID courses? If so, how many and which courses?
6. If matches will take place at our IVGID courses and other PGA Junior League teams will be competing, what will those team players pay IVGID?
7. Does the program make money or lose money for IVGID? Do we have financials which reveal how much money is made or lost?
8. Assuming it loses money, is your justification the fact that this is what a community is all about? If not, what is your justification?

Okay Board members. Take this example and multiply it by 105! I've now described the Rec Center to you. Is it starting to make sense?

And for you Trustee Schmitz, you'd agree with me would you not that because this program benefits the general public as a whole, wouldn't it be more appropriate to assign the costs to the General Fund? Just as you are proposing for our public parks; right? And if you agree, where does the money come from to pay for it? Would it simply be to increase the amount of central services cost transfers coming from our RFF, BFF and the utility rates and charges local parcel owners are assessed?

So now that you trustees know the play book, what if anything do you intend to do about it?

Thank you for your cooperation. Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR APRIL 12, 2023 MEETING – AGENDA
ITEM C – PUBLIC COMMENT – IT'S TIME FOR OUR DIRECTOR OF FINANCE,
PAUL NAVAZIO, TO BE LET GO BECAUSE HE INTENTIONALLY LIES TO THE
BOARD AND THE PUBLIC INSOFAR AS THE DISTRICT'S FINANCES/
FINANCIAL REPORTING ARE CONCERNED**

Introduction: Well “here’s another one” according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently and fairly provided by another district³, or Washoe County, or more preferably, IVGID should simply be dissolved³ altogether! However in the interim, and in order to provide evidence in support of dissolution, let’s examine another example of the waste and ends justifying means mentality which permeates the District and in the end costs local parcel/dwelling unit owners. And here it’s another one of our senior management. Finance Director Paul Navazio. Has the time come for the District to terminate his employ because he does not speak the truth? That’s the purpose of this written statement.

Prologue: A Board packet for this meeting that consists of 1,020 pages⁴. Which is not even made available to the Board or the public for examination until the Friday evening before the meeting

¹ Go to <https://www.djkhaledoofficial.com/>.

² NRS 318.515(1)(a) and 318.515(3)(a)-(d) instruct that “upon notification by the Department of Taxation or upon receipt of a petition signed by 20 percent of the qualified electors of the district, that...a district of which the board of county commissioners is not the board of trustees is not being properly managed...the board of county commissioners of the county in which the district is located shall hold a hearing to consider...(a) adopt(ion of) an ordinance constituting the board of county commissioners, *ex officio*, as the board of trustees of the district; (b) adopt(ion of) an ordinance providing for the merger, consolidation or dissolution of the district...(c) fil(ing) a petition in...district court for the...appointment of a receiver for the district; or, (d) determin(ing) by resolution that management and organization of the district...remain unchanged.”

³ NRS 318.490(1)-(2) instruct that “whenever a majority of the members of the board of county commissioners...deem it to be in the best interests of the county and of the district that the district be merged, consolidated or dissolved, or if the board of trustees of a district, by resolution...agrees to such a merger, consolidation or dissolution, the board of county commissioners shall so determine by ordinance, (that)...(b) the services of the district are no longer needed or can be more effectively performed by an existing unit of government (or)...that the district should be dissolved, merged or consolidated.”

⁴ Go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/J._-_Long_Range_Calendar4.12.pdf.

at 7:23 P.M.⁵ The Friday evening before the beginning of a weekend. Are you kidding me? What happened to the Board's edict that Board packets must be completed and made available to the Board and the public which have asked to receive the same at least a week before a meeting? This behavior is outrageous inasmuch as *no one* has the time to read and understand this much material within the short period of time proffered. It's almost as if staff are intentionally attempting to overload the agenda for Board meetings in the hopes these matters will simply be "rubber stamped" by the Board rather than being critically examined. Like I said, outrageous! And it explains why I simply do not have the time to being the Board's job of critically examining and questioning matters brought forward for possible action.

My E-Mail of April 10, 2023: With that said, let's return to Mr. Navazio. On April 10, 2023 I sent the Board an e-mail⁶ providing evidence as to how Mr. Navazio had intentionally manipulated staffs' discussion of the legal authority for adoption of new Recreation ("RFF") and Beach ("BFF") Facility Fees. In the same, I pointed the Board to the following facts:

1. NRS 318.197(1) which instructs that: "The board may fix, and from time to time increase or decrease...recreational facility(y)...rates, tolls or charges other than special assessments, including... charges...for the **availability of service;**"

2. In addition to "standby service charges...for the availability of service," NRS 318.197(1) provides for these additional rates, tolls or charges:

a. "Service charges...for services or facilities furnished by the district;"

b. "Standby service charges, for services or facilities furnished by the district;"

c. "Annexation charges;" and,

d. "Minimum charges?"

3. The proposed Report attached to proposed Resolution No. 1901⁷ wherein staff has asked the Board to find that the new RFF/BFF are: "RECREATION STANDBY AND SERVICE CHARGES (ALSO

⁵ The e-mail from the District Clerk notifying me that my copy of the Board packet for this meeting is available for my pick-up at the District's administrative offices is attached as Exhibit "A" to this written statement.

⁶ That e-mail is attached as Exhibit "B" to this written statement.

⁷ See pages 1002-1008 of the packet of materials prepared by staff in anticipation of this Board meeting [go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/G.7._-General_Business_-Resolution_No._1901.pdf ("the 4/12/2023 Board packet")].

KNOWN AS THE RECREATION FACILITY FEE AND BEACH FACILITY FEE)⁸...for the availability of use of the recreational facilities above described⁹ (in other words, "facilities" rather than "service");

4. NRS 318.201(1) which instructs that: "Any board which has adopted rates pursuant to this chapter may, by resolution...elect to have such charges for the forthcoming fiscal year collected on the tax roll in the same manner, by the same persons, and at the same time as, together with and not separately from, the county's general taxes" **conditioned upon** those charges being for District recreation "services and facilities" furnished to "each parcel of real property" assessed¹⁰;

5. Mr. Navazio's representation of fact that the Board "is required to approve a resolution which outlines the billing and collection process set forth in Nevada Revised Statutes 318.197 (establishing **standby service charges for services and facilities furnished by the District**) and 318.201 (establishing the method of collection);"¹¹ and,

6. Mr. Navazio's representation of fact that Nevada Revised Statutes 318.197 permits the Board to "**establish...standby service charges for services and facilities furnished by the District;**"¹¹

And I concluded that:

1. *Not* every rate, toll or charge authorized by NRS 318.197(1) can be legitimately collected on the county tax roll pursuant to NRS 318.201(1). But only those which pay for recreation "services and facilities" furnished by the District to "each parcel of real property" assessed;

2. So of the five (5) possible NRS 318.197(1) rates, tolls and charges referenced above, the *only* ones which possibly pay for "services and facilities" furnished by the District to "real property," are:

a. "Service charges...for services or facilities furnished by the district" to real property;

b. "Standby service charges, for services or facilities furnished by the district" to real property;
and,

c. "Standby service charges...for the availability of service(s)" to real property.

⁸ See page 1003 of the 4/12/2023 Board packet.

⁹ See page 1005 of the 4/12/2023 Board packet.

¹⁰ NRS 318.201(1) goes on to state that "in such event, (the Board) shall cause a **written report** to be prepared and filed with the secretary, which shall contain a description of **each parcel of real property receiving such services and facilities** and the amount of the charge for each parcel for such year, computed in conformity with the charges prescribed by the resolution."

¹¹ See page 1000 of the 4/12/2023 Board packet.

3. But the RFF/BFF do *not* pay for “services” furnished to real property. Nor do they pay for “facilities” furnished to real property. And since they don’t pay for either, “standby service charges” do not pay for services or facilities furnished to real property;

4. Nor do they pay for “standby service charges...for the availability of **service(s)**” to real property;

5. Moreover, staff is not telling us that the RFF/BFF represent “standby service charges...for the availability of **service(s)**” to real property. Rather, we are told they represent “standby service charges ...for the availability of **facilities**” to real property;

6. However, NRS 318.197(1) does *not* recognize “standby service charges...for the availability of” facilities to real property;

7. Therefore there is no authority under NRS 318.197(1) for the Board to adopt this RFF/BFF;

8. Mr. Navazio’s representations to the contrary are intentionally false because he has an agenda to follow; and as a result,

9. He needs to be terminated as a public employee.

Conclusion: Not every rate and charge the Board is authorized to fix pursuant to NRS 318.197(1) can permissibly be collected on the county tax roll pursuant to NRS 318.201. Yet here we have evidence that’s exactly what staff have asked the Board to do. Moreover, portions of the report proposed to be adopted contain impermissible findings prepared by Mr. Navazio, to which I object. Hopefully for the reasons stated in other e-mails sent to the Board which are attached to other written statements requested to be attached to the minutes of this meeting, the Board will refuse to: pass the proposed subject resolution, adopt the proposed subject report, and terminate Mr. Navazio’s employ because he is a public employee who intentionally lies to the Board and the public because it suits his personal agenda?

And You Wonder Why the RFF and BFF Which Pay For This and Other Similar Waste Local Parcel/Dwelling Unit Owners Are Forced to Involuntarily Pay is Out of Control? I’ve now provided more answers.

Respectfully, Aaron Katz (Your Community Watchdog Because Nearly No One Else Seems to be Watching).

EXHIBIT "A"

4/12 BOT Meeting Packet

From: Melissa N. Robertson <mnr@ivgid.org>
To: s4s@ix.netcom.com <s4s@ix.netcom.com>
Subject: 4/12 BOT Meeting Packet
Date: Apr 7, 2023 7:23 PM

Hello,

The Meeting packet is available for pickup outside of Admin. Thank you.

Melissa Robertson

District Clerk

Incline Village General Improvement District

893 Southwood Boulevard

Incline Village Nevada 89451

P: 775-832-1268

mnr@ivgid.org

<http://yourtahoeplacc.com>

EXHIBIT "B"

I Am Tired of Bringing to the Board's Attention Staff Lies After Lies Without Consequence. When Do You Intend to Do Something About It? Here it's Finance Director Navazio Who Knows Damn Well What He's Done!

From: <s4s@ix.netcom.com>
To: Dent Matthew <dent_trustee@ivgid.org>
Cc: Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>
Subject: I Am Tired of Bringing to the Board's Attention Staff Lies After Lies Without Consequence. When Do You Intend to Do Something About It? Here it's Finance Director Navazio Who Knows Damn Well What He's Done!
Date: Apr 10, 2023 9:57 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

On April 8, 2023 I wrote to each of you insofar as staff's request the Board adopt new RFFs/BFFs and order their collection on the tax roll (see below). In particular I outlined rate, toll charge by rate toll charge the Board was authorized to adopt pursuant to NRS 318.197(1), and the rate, toll charge staff was proposing the Board adopt (see discussion below). Don't you recall I shared with you those rates, tolls and charges could be?

1. "Service charges...for services or facilities furnished by the district;"
2. "Standby service charges, for services or facilities furnished by the district;"
3. "Charges for the availability of service;"
4. "Annexation charges;" and,
5. "And minimum charges?"

But **NOT** all of these charges can be permissibly charged to real property. Let alone **involuntarily**. Which in this case is necessary because staff intends to collect the same pursuant to NRS 318.201. And as I explained before, **NOT** all rates tolls and charges the Board is allowed to fix pursuant to NRS 318.197 can be collected pursuant to NRS 318.201. Rather, the only ones that can are those which pay for **services and facilities furnished to real property**. So which of these charges do?

Certainly **NOT** "service charges...for (recreation) services or facilities furnished by the district." If you disagree, tell me what recreation services or facilities the District is capable of furnishing to **real property**. Yes I can make the argument such services or facilities can possibly be furnished to **people**. But which can be furnished to **real property**? Since the answer is none, simply stated the RFF/BFF **cannot** represent "service charges...for (recreation) services or facilities furnished by the district." Moreover, how can they be involuntarily levied? Besides, the Report **doesn't** state that's what the RFF/BFF represent. Instead, it tells us they purportedly represent charges "for the availability of use of the recreational **facilities** above described." Do we not take the Report at its word?

Nor can the RFF/BFF represent "charges for the availability of (some recreation) **service**." If you disagree, tell me what recreation **services** the District proposes making available to **real property**. Yes I can make the argument such services can possibly be furnished to **people**. But which can be furnished to **real property**? Since the answer is none, simply stated the RFF/BFF **cannot** represent "charges...for the availability of (recreation) **service(s)**" furnished by the district. Moreover, how can they be involuntarily levied? And besides, the Report **doesn't** state that's what the RFF/BFF represent. Instead, it tells us they purportedly represent charges "for the availability of use of the recreational **facilities** above described."

Moreover, don't you recall I shared with you that because of paragraph I of the Report to be adopted by the resolution staff request you adopt, the type of rate, toll or charge staff is asking you adopt is an "annual charge...for the availability of use of the recreational **facilities** above described? And **not** "service charge(s)...for services or facilities furnished by the District." But rather, charges "for the availability of use of the recreational **facilities** above described." But take a very close look at NRS 318.197(1). **Nowhere** does it expressly recognize a rate, toll or charge "for the availability of use of...recreational **facilities**." Do we not take the Report at its word?

Nor can the RFF/BFF represent "annexation charges." If you disagree, tell me what recreation **annexation** charges the District proposes furnishing to **real property**. Since the answer is none, simply stated the RFF/BFF **cannot** represent recreation "annexation charges." Moreover, how can they be involuntarily levied? Besides, the Report **doesn't** state that's what the RFF/BFF represent. Instead, it tells us they purportedly represent charges "for the availability of use of the recreational **facilities** above described." Do we not take the Report at its word?

Now the RFF/BFF can represent "minimum (recreation) charges." After all, since user fees must be paid on top of the RFF/BFF, the latter only represent a portion or a minimum of the total charge. But how do they represent "minimum (recreation) charges" to **real property**? And how can they be involuntarily levied? Simply stated, they can't! Besides, the Report **doesn't** state that's what the RFF/BFF represent. Instead, it tells us they purportedly represent charges "for the availability of use of the recreational **facilities** above described." Do we not take the Report at its word?

That leaves only one, remaining, possibly permissible NRS 318.197(1) charge. And that would be "standby service charges, for (recreation) services or facilities furnished by the district." But since I've demonstrated the District is not capable of furnishing recreation **services** to real property, how can it possibly assess "standby service charges" for **real property's** mere availability to access and use those **services**? Similarly, since I've demonstrated that the District is not capable of furnishing recreation **facilities** to **real property**, how can it possibly assess "standby service charges" for **real property's** mere availability to access and use those **facilities**? And how can they be involuntarily levied? Simply stated, they can't! And besides, the Report **doesn't** state that's what the RFF/BFF represent. Instead, it tells us they purportedly represent charges "for the availability of use of the recreational **facilities** above described." Do we not take the Report at its word?

Therefore any way one crumbles the cookie, the RFF/BFF do not represent NRS 318.197(1) charges capable of furnishing some benefit to **real property**.

So let's get to Mr. Navazio's lies.

Lie #1: There is **no such rate, toll or charge** authorized by NRS 318.197(1) capable of involuntary levy against real property. Yes in a vacuum, there are "charges for the availability of (a) **service**." But there are no comparable charges recognized for "the availability of **facilities**." Mr. Navazio's representation to the contrary is **not true!**

Lie #2: Listen to Mr. Navazio at page 1,000 of the 4/12/2023 Board packet: "As part of the annual budget process, the Board is required to approve a resolution which outlines the billing and collection process set forth in Nevada Revised Statutes 318.197 (**establishing standby service charges for services and facilities furnished by the District**) and 318.201 (establishing the method of collection), as well as the preliminary amount of the Recreation Facility Fee (RFF) and Beach Facility Fee (BFF)." Mr. Navazio is telling you that the Board can adopt standby service charges for services **and facilities** furnished even though that's **not** what NRS 318.197 says.

Now why would Mr. Navazio intentionally lie to the Board and the public? Please don't tell me this was simply a "slip of the tongue." Mr. Navazio is far too sharp for that. Which means that in his mind, the end justifies the means. Thank you Mr. Navazio.

Now to the Board. What do you do with a public employee who intentionally lies to you and the public because it suits his personal agenda? You know what to do. And I expect each of you to do your jobs!

Respectfully, Aaron Katz

-----Original Message-----

From: <s4s@ix.netcom.com>

Sent: Apr 8, 2023 12:02 PM

To: Dent Matthew <dent_trustee@ivgid.org>

Cc: Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>

Subject: April 12, 2023 Board Meeting - Agenda Item #0(1) - Staff's Request the Board Adopt a RFF/BFF to Cover the Shortfall Caused by Their Overspending and to Create a Funding Source For Future CIPs Like The Beach House, Snowflake Lodge, Ski Way and Staff's Cherished Spiffy New Admin Bldg - #1 - What the RFF/BFF Really Represent - And Not What You Tell Us They Represent

Chairperson Dent and Other Honorable Members of the IVGID Board -

Well now for the first time we're taking a REAL look at what the RFF/BFF represent. And how that's far different from what staff and the Board represent.

So the issue for you as a Board. Are you going to continue LYING to local parcel owners because the ends justify the means? Or are you going to tell local parcel owners the truth which means elimination of the RFF/BFF?

THE ENDS JUSTIFY THE MEANS: Because the District is only a limited form of local government, unlike a county, city or unincorporated town, it only has limited means of raising revenues. And with our bloated staff, they are unable to generate adequate revenues to cover the costs they assign to the Community Services and Beach Funds. That leaves staff with a choice. Do they reduce expenses to the level of revenues? Or do they continue spending like drunken sailors and look elsewhere for a revenue source to plug the deficiency (aka a subsidy)? Because in the past staff have relied upon the latter, to them it doesn't really matter what you call the RFF/BFF nor justify its involuntary assessment. It's really nothing more than a means to an end. What end? A balanced budget.

NRS 318.197(1): One of the few things staff and past Boards and people like me agree upon, are that other than ad valorem taxes (NRS 225), the District's ability to raise revenues is pretty much limited by NRS 318.178(1). That is, "The board may fix, and from time to time increase or decrease...other recreational facilit(y)...rates, tolls or charges other than special assessments, including, but not limited to:"

1. "Service charges...for services or facilities furnished by the district;"
2. Standby service charges, for services or facilities furnished by the district;"
3. Charges for the availability of service;"
4. "Annexation charges;" and,
5. "And minimum charges."

What Type of Charge Does Staff Tell Us the RFF/BFF Represent: Look at the "REPORT FOR COLLECTION ON THE COUNTY TAX ROLL" staff have presented (see pages 1003-1008 of the 4/12/2023 Board packet(for your adoption: There staff tell us that "RECREATION STANDBY AND SERVICE CHARGES (ALSO KNOWN AS THE RECREATION FACILITY FEE AND BEACH FACILITY FEE)...for the availability of use of the **recreational facilities** above described" (see paragraph I at page 1005 of the 4/12/2023 Board packet).

Now listen to what the District's Finance Director tells us the Recreation ("RFF") and Beach ("BFF") Facility Fees represent: "These fees are established based on the revenues required to support debt, capital expenditure and operations for the District's various recreation and beach facilities. These revenues, combined with service charges collected by the District for facility use and program activities serve to support the operations of the District funded by the Community Services Fund and Beach Fund, respectively" (see pages 999-1000 of the 4/12/2023 Board packet). In other words, the difference between revenues and expenses, system wide, assigned by staff to the Community Services (insofar as the RFF is concerned) and Beach (insofar as the BFF is concerned) Funds, respectively.

What the Rates, Tolls and Charges the District Fixes Can Legitimately Be Spent On: NRS 318.197(1) gives us the answer: "The board may fix, and from time to time increase or decrease...rates, tolls or charges other than special assessments...and pledge the revenue for the payment of any indebtedness or special obligations of the district."

Where in NRS 318.178(1) Do You See That the Board May Fix Rates and Charges For the

"Availability of Facilities?" NOWHERE!

Putting Aside the Fact Staff Have Told Us That the RFF/BFF Represent Charges...For (Recreation) Services...Furnished by the District" to Those Parcels/Dwelling Units Which They Propose Assessing, But What Such Recreation "Services" Do Staff Propose Furnishing Which Are Paid For With the RFF/BFF? NONE!

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Since Staff Tell Us They *Don't* Propose Furnishing Any "Services" Whatsoever to Those Parcels/Dwelling Units They Propose Assessing in Consideration of Paying the RFF/BFF, How Can They Propose Standby Service Charges, for the Mere Availability to Access and Use "Services...Furnished by the District?" They *CAN'T*!

Since Staff Tell Us They *Don't* Propose Furnishing Any "Facilities" Whatsoever to Those Parcels/Dwelling Units They Propose Assessing in Consideration of Paying the RFF/BFF,

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR APRIL 12, 2023 MEETING – AGENDA
ITEM G(7) – APPROVAL OF RESOLUTION NO. 1901 WHICH ADOPTS A PRE-
LIMINARY REPORT ELECTING TO COLLECT 2023-24 RECREATION (“RFF”)
AND BEACH (“BFF”) FACILITY FEES ON COUNTY TAX ROLL**

Introduction: Well “here’s another one” according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently and fairly provided by another district³, or Washoe County, or more preferably, IVGID should simply be dissolved³. However in the interim, and in order to provide evidence in support of dissolution, let’s examine another example of the waste and ends justifying means mentality which ends up costing local parcel/dwelling unit owners.

Even though the District cannot legitimately recover its proposed RFF/BFF for the forthcoming fiscal year on the County tax roll, that’s exactly what the Board proposes by way of this Resolution No. 1901 and the preliminary report adopted thereby. And that’s the purpose of this written statement.

My E-Mails of April 8 and 10, 2023: On April 8, 2023 I sent a series of e-mails to the Board sharing my views as to the reasons why it should not approve the subject resolution nor its adopted report for the collection of the RFF/BFF on the county tax roll. Those e-mails are attached as Exhibits “A” through “I” (each dealing with a separate basis) to this written statement. On April 10, 2023 I followed up with another. And it is attached as Exhibit “J” to this written statement. Rather than restating all that is included in those e-mails, I direct the reader to the same.

¹ Go to <https://www.djkhaledofficial.com/>.

² NRS 318.515(1)(a) and 318.515(3)(a)-(d) instruct that “upon notification by the Department of Taxation or upon receipt of a petition signed by 20 percent of the qualified electors of the district, that...a district of which the board of county commissioners is not the board of trustees is not being properly managed...the board of county commissioners of the county in which the district is located shall hold a hearing to consider...(a) adopt(ion of) an ordinance constituting the board of county commissioners, *ex officio*, as the board of trustees of the district; (b) adopt(ion of) an ordinance providing for the merger, consolidation or dissolution of the district...(c) fil(ing) a petition in...district court for the...appointment of a receiver for the district; or, (d) determin(ing) by resolution that management and organization of the district...remain unchanged.”

³ NRS 318.490(1)-(2) instruct that “whenever a majority of the members of the board of county commissioners...deem it to be in the best interests of the county and of the district that the district be merged, consolidated or dissolved, or if the board of trustees of a district, by resolution...agrees to such a merger, consolidation or dissolution, the board of county commissioners shall so determine by ordinance, (that)...(b) the services of the district are no longer needed or can be more effectively performed by an existing unit of government (or)...that the district should be dissolved, merged or consolidated.”

Conclusion: Not every rate and charge the Board is authorized to fix pursuant to NRS 318.197(1) can permissibly be collected on the county tax roll pursuant to NRS 318.201. Yet here we have evidence that's exactly what staff have asked the Board to do. Moreover, portions of the report proposed to be adopted contain impermissible findings to which I object. Hopefully for the reasons stated in the attached e-mails, the Board will refuse to pass the proposed subject resolution and refuse to adopt the proposed subject report.

And You Wonder Why the RFF and BFF Which Pay For This and Other Similar Waste Local Parcel/Dwelling Unit Owners Are Forced to Involuntarily Pay is Out of Control? I've now provided more answers.

Respectfully, Aaron Katz (Your Community Watchdog Because Nearly No One Else Seems to be Watching).

EXHIBIT "A"

April 12, 2023 Board Meeting - Agenda Item #G(7) - Staff's Request the Board Adopt a RFF/BFF to Cover the Shortfall Caused by Their Overspending and to Create a Funding Source For Future CIPs Like The Beach House, Snowflake Lodge, Ski Way and Staff's Cherished Spiffy New Admin Bldg - #1 - What the RFF/BFF Really Represent - And Not What You Tell Us They Represent

From: <s4s@ix.netcom.com>
To: Dent Matthew <dent_trustee@ivgid.org>
Cc: Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>
Subject: April 12, 2023 Board Meeting - Agenda Item #G(7) - Staff's Request the Board Adopt a RFF/BFF to Cover the Shortfall Caused by Their Overspending and to Create a Funding Source For Future CIPs Like The Beach House, Snowflake Lodge, Ski Way and Staff's Cherished Spiffy New Admin Bldg - #1 - What the RFF/BFF Really Represent - And Not What You Tell Us They Represent
Date: Apr 8, 2023 12:02 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

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THE ENDS JUSTIFY THE MEANS: Because the District is only a limited form of local government, unlike a county, city or unincorporated town, it only has limited means of raising revenues. And with our bloated staff, they are unable to generate adequate revenues to cover the costs they assign to the Community Services and Beach Funds. That leaves staff with a choice. Do they reduce expenses to the level of revenues? Or do they continue spending like drunken sailors and look elsewhere for a revenue source to plug the deficiency (aka a subsidy)? Because in the past staff have relied upon the latter, to them it doesn't really matter what you call the RFF/BFF nor justify its involuntary assessment. It's really nothing more than a means to an end. What end? A balanced budget.

NRS 318.197(1): One of the few things staff and past Boards and people like me agree upon, are that other than ad valorem taxes (NRS 225), the District's ability to raise revenues is pretty much limited by NRS 318.178(1). That is, "The board may fix, and from time to time increase or decrease...other recreational facilit(y)...rates, tolls or charges other than special assessments, including, but not limited to:"

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4. "Annexation charges;" and,
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Now listen to what the District's Finance Director tells us the Recreation ("RFF") and Beach ("BFF") Facility Fees represent: "These fees are established based on the revenues required to support debt,

capital expenditure and operations for the District's various recreation and beach facilities. These revenues, combined with service charges collected by the District for facility use and program activities serve to support the operations of the District funded by the Community Services Fund and Beach Fund, respectively" (see pages 999-1000 of the 4/12/2023 Board packet). In other words, the difference between revenues and expenses, system wide, assigned by staff to the Community Services (insofar as the RFF is concerned) and Beach (insofar as the BFF is concerned) Funds, respectively.

What the Rates, Tolls and Charges the District Fixes Can Legitimately Be Spent On: NRS 318.197(1) gives us the answer: "The board may fix, and from time to time increase or decrease...rates, tolls or charges other than special assessments...and pledge the revenue for the payment of any indebtedness or special obligations of the district."

Where in NRS 318.178(1) Do You See That the Board May Fix Rates and Charges For the "Availability of Facilities?" *NOWHERE!*

Putting Aside the Fact Staff Have Told Us That the RFF/BFF Represent Charges...For (Recreation) Services...Furnished by the District" to Those Parcels/Dwelling Units Which They Propose Assessing, But What Such Recreation "Services" Do Staff Propose Furnishing Which Are Paid For With the RFF/BFF? *NONE!*

Putting Aside the Fact Staff Have Told Us That the RFF/BFF Represent Charges...For... (Recreation) Facilities...Furnished by the District" to Those Parcels/Dwelling Units Which They Propose Assessing, But What Such Recreation "Facilities" Do Staff Propose Furnishing Which Are Paid For With the RFF/BFF? *NONE!*

Since Staff Tell Us They *Don't* Propose Furnishing Any "Services" Whatsoever to Those Parcels/Dwelling Units They Propose Assessing in Consideration of Paying the RFF/BFF, How Can They Propose Standby Service Charges, for the Mere Availability to Access and Use "Services...Furnished by the District?" They *CAN'T!*

Since Staff Tell Us They *Don't* Propose Furnishing Any "Facilities" Whatsoever to Those Parcels/Dwelling Units They Propose Assessing in Consideration of Paying the RFF/BFF, How Can They Propose Standby Service Charges, for the Mere Availability to Access and Use "Facilities Furnished by the District?" They *CAN'T!*

Moreover, What Exactly Are "Standby Service Charges?" And Do the RFF/BFF Legitimately Represent Such Charges? Remember that *NOWHERE* in NRS 318 nor the NRS for that matter is the term defined. So how can you as a Board represent that the RFF/BFF comport to that definition?

Given the District Proposes Using the RFF/BFF to Accumulate Funds to Pay For Current and Future Capital Improvement Project ("CIP") Costs to be Assigned to the Community Services and Beach Funds, Respectively, How Can This Use be Reconciled with NRS 318.197(1)'s Instruction That They be Limited to the Payment of "Any Indebtedness or Special Obligation...of the District?" At the Board's April 5, 2023 meeting, didn't it clearly inform the public that insofar as the Community Services Fund was concerned, no portion of the RFF whatsoever was required for operational or debt service costs because budgeted revenues were sufficient to pay for those costs? And that only a portion of CIP costs were required to be subsidized by the RFF because roughly 2/3 would be paid for by transfers from fund balance?

And didn't the Board similarly inform the public that insofar as the Beach Fund was concerned, the BFF was required to subsidize the difference between revenues and expenses of all kinds assigned by staff?

In other words, the RFF/BFF have *NOTHING* to do with "service charges...for services...furnished by the district;" nor "service charges...for...facilities furnished by the district;" nor, "standby service charges, for services...furnished by the district;" nor, "standby service charges, for...facilities furnished by the district;" nor, "charges for the availability of service." Instead they pay for the difference between revenues and expenses of all kinds, system wide, assigned by staff to the Community

Services (insofar as the RFF is concerned) and Beach (insofar as the BFF is concerned) Funds, respectively. Since that difference insofar as the Community Services Fund is concerned for 2023-24, we're only talking about roughly 1/3 of projected CIP costs. And since that difference insofar as the Beach Fund is concerned for 2023-24, we're talking about the total difference.

But You're Really Paying For a Whole Lot More: How do you think we accumulated excess fund balances in the Community Services and Beach Funds? Because in the immediate past, the RFF/BFF were set at levels in excess of amounts required for the mere availability for those parcels/dwelling units which were assessed to access and use the District's recreation and beach facilities. Or the Board budgeted monies to pay for CIPs which were never prosecuted (like the Diamond Peak Master Plan) and at some point in time, those funds were retained permanently in fund balance. Or the Board budgeted monies to pay for CIPs, those CIPs were prosecuted, but the costs were less than what was budgeted. Thus those excess funds were retained permanently in fund balance.

Then you have the situation where the RFF/BFF were used for purposes having nothing to do with making the District's recreation and beach facilities available for access and use by those parcels/dwelling units which were assessed. An example being the loss of ad valorem tax revenues withheld by the county as our collection agent. You will recall that as a result of the latest ad valorem tax refund suit, the county entered into a settlement agreement whereby refunds were agreed to be made to the owners/former owners of all parcels within IVGID's boundaries. The county contended that the District was responsible for its portion of those refunds. And the way that the county exacted reimbursement payments, was through unilateral offset against District ad valorem taxes it was collecting on the District's behalf. The loss of this budgeted revenue meant that staff had to either reduce expenses by a like amount, or use the RFF/BFF to plug the financial deficiency. Staff chose the latter. Which means the RFF/BFF were *NOT* used for the purposes represented.

If You Have Any Doubts as to Whether or Not the District Possesses Such Charges, Doesn't *Dillon's Rule* [See NRS 244.137(4)] Instruct That "If There is Any Fair or Reasonable Doubt Concerning the Existence of a Power, That Doubt is Resolved *Against* the Board of (the Local Government) and the Power is *Denied*?"

Moreover, What Are the "Just and Reasonable" Costs [See NRS 704.040(1)-(2)] the District Proposes Incurring to Make the District's Recreation "Services" Merely Available to Be Accessed and Used By Those Parcels/Dwelling Units They Propose Assessing? And How Do They Compare to What the RFF/BFF Are Proposed to Pay For in the Real World? Although we know the financial shortfall, system wide, *nowhere* have staff informed the Board of the "just and reasonable" costs the District proposes incurring for the mere "availability" to access and use those "services." And before any of you tell me that NRS 704.040's "just and reasonable" requirement has no relevance to this discussion, please understand that NRS 704.040(2) instructs that "every unjust and unreasonable charge for (a) service of a public utility is unlawful;" and, the District is a "public utility" under NRS 704.020(2)(a) inasmuch as it operates a "plant or equipment, or any part of a plant or equipment, within this State for the production, delivery or furnishing for or to other persons, including private or municipal corporations, heat, gas, coal slurry, light, power in any form or by any agency, water for business, manufacturing, agricultural or household use, or sewerage service, whether or not within the limits of municipalities."

What Are the "Just and Reasonable" Costs the District Proposes Incurring to Make the District's Recreation "Facilities" Merely Available to Be Accessed and Used By Those Parcels/Dwelling Units They Propose Assessing? And How Do They Compare to What the RFF/BFF Are Proposed to Pay For in the Real World? Although we know the financial shortfall, system wide, *nowhere* have staff informed the Board of the "just and reasonable" costs the District proposes incurring for the mere "availability" to access and use those "facilities."

Conclusion: So please don't adopt a resolution which tells me the RFF/BFF pay for one thing when the truth is they don't. And don't propose charging my property for something, when that something does not comport with the kinds of fees and charges which are permissible under NRS 318.197(1) because the means justify the ends.

You and your staff are treating the RFF/BFF as if they were tax revenues. They're budgeting to these numbers relying upon their receipt to help pay for intentional overspending. This is wrong. And which bottom line should lead to the conclusion that the RFF/BFF are really not legitimate fees and charges and for this reason, they should not be involuntarily assessed. And if you refuse, in my eyes you are no better than your disingenuous staff.

Thank you for your attention to and consideration of this matter and your hopeful refusal to adopt the resolution and report made the subject of this agenda item. Respectfully, Aaron Klatz

EXHIBIT "B"

April 12, 2023 Board Meeting - Agenda Item G(7) - Staff's Request the Board Adopt a RFF/BFF to Cover the Shortfall Caused by Their Overspending and to Create a Funding Source For Future CIPs Like The Beach House, Snowflake Lodge, Ski Way and Staff's Cherished Spiffy New Admin Bldg - #2 - The Amount of Money Required to Make the Beaches and Other Public Recreation Facilities Available to be Used Upon the Condition Additional User Fees Are Paid

From: <s4s@ix.netcom.com>
To: "Dent Matthew" <dent_trustee@ivgid.org>
Cc: "Schmitz Sara" <schmitz_trustee@ivgid.org>, "Tonking Michaela" <tonking_trustee@ivgid.org>, "Noble Dave" <noble_trustee@ivgid.org>, "Tulloch Ray" <tulloch_trustee@ivgid.org>
Subject: April 12, 2023 Board Meeting - Agenda Item G(7) - Staff's Request the Board Adopt a RFF/BFF to Cover the Shortfall Caused by Their Overspending and to Create a Funding Source For Future CIPs Like The Beach House, Snowflake Lodge, Ski Way and Staff's Cherished Spiffy New Admin Bldg - #2 - The Amount of Money Required to Make the Beaches and Other Public Recreation Facilities Available to be Used Upon the Condition Additional User Fees Are Paid
Date: Apr 8, 2023 1:09 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

Each of you know I am opposed to the RFF/BFF. The reasons are several fold, they're set forth in a companion e-mail I have contemporaneously sent to the Board, and I'm not going to repeat them here. Other than to observe they represent invalid special taxes against real property rather than the standby and service charges staff will ask you to MISrepresent to local parcel/dwelling unit owners and the public.

But putting my opposition aside, there are a series of actions staff is going to ask you as a Board to take, or not take, which are wrong. And I want each of you to be aware of the same before such actions are presented to you by staff for your approval.

This e-mail addresses the first. The amount of money staff require to make the beaches and other public recreational facilities available for local parcel owners' access and use conditioned upon their paying additional user fees [BTW, this makes the RFF/BFF NRS 318.197(1) "minimum charges," doesn't it?].

Because NRS 318.201(1) addresses the process for the Board to collect the RFF/BFF on the tax roll, the first thing you have been presented with is a report which preliminarily reads as follows at Paragraph II (see page 1006 of the 4/12/2023 Board packet): "The amount of moneys required for the fiscal year extending from July 1, 2023, to June 30, 2024, has been determined by this Board to be about \$X.00 for the Recreation Facility Fee and \$Y,00 for Beach Facility Fee for the proper servicing of said identified bonds and for the administration, operation, maintenance and improvement of said real properties, equipment and facilities rather than to make the beaches and othe recreational facilities available to accessed and used by those parcels which are assessed (the latter is what staff represent to the Board and the public).

Literally, what are the costs associated with "the proper servicing of said identified bonds and for the administration, operation, maintenance and improvement of said real properties, equipment and facilities?" Wouldn't they be the

difference between budgeted revenues and intentional overspending assigned by staff to the District's Community Services (insofar as the RFF is concerned) and Beach (insofar as the BFF is concerned) Funds? Wouldn't that be 100% of the RFF/BFF staff have already told you are required to be next fiscal year's RFF/BFF?

Yet given staff and the Board tell local parcel/dwelling unit owners and the public that the RFF represent standby service and service charges for the mere availability to access and use the same public recreational facilities which are available to be accessed and used by any member of the general public without paying the RFF, wouldn't you think those costs would be LESS? So how come they're not?

Listen to what our Finance Director, Mr. Navazio, tells us the RFF/BFF pay for (this appears at pages 999-1000 of the April 12, 2023 Board packet): "Each year, the District establishes an annual Recreation Facility Fee and Beach Facility Fee to be collected from property owners within the District through a levy placed on the property tax bill and collected on behalf of the District by the Washoe County Treasurer's Office. These fees are established based on the revenues required to support (i.e., subsidize) debt, capital expenditure and operations for the District's various recreation and beach facilities. These revenues, combined with service charges collected by the District for facility use and program activities serve to (financially) support the operations of the District funded by the Community Services Fund and Beach Fund, respectively."

Putting aside the issue of the difference in subsidies to merely making the beaches and other recreational facilities available to be used by those parcels which are assessed versus the difference between budgeted revenues and expenses assigned to the Community Services Fund (insofar as the RFF is concerned) and the Beach Fund (insofar as the BFF is concerned), respectively, understand that your staff are perpetually untruthful. And why? Because they have an agenda to fulfill. And that agenda dictates that the ends justify the means. And the ends dictate that a funding source be created to pay for future unidentified, unappropriated and unbudgeted pet projects like The Beach House, Snowflake Lodge, reconstruction of Ski Way, and construction of a new, spiffy Admin Bldg for our beleaguered staff, etc. Let me demonstrate what I mean.

Let's examine the Community Services budget for fiscal year 2020-21. If one removes the RFF subsidy (\$1,735,612) assigned to actual revenues, one sees that total revenues from all other sources were \$16,333,929. Now let's compare this revenue to actual expenses (\$15,286,400). The reported difference (\$1,047,469) is MORE than actual expenses. This means that only a portion of the RFF was necessary to plug the difference between revenues and expenses system (at least Community Services systems) wide. And rather than refunding the unnecessary portions to those parcels which were assessed because they weren't really required, the RFF together with the \$1,047,469 of positive cash flow were transferred to excess fund balance. Therefore, the RFF was not just a revenue source for the alleged shortfall between budgeted revenues and intentional overspending. It became a funding source for future unappropriated, unbudgeted, pet projects or unforeseen expenses! Which explains why we have such a large excess fund balance in the Community Services Fund.

Let's go through the same exercise for the Beach Fund for fiscal year 2022-23. If one removes the BFF subsidy (\$2,556,840) assigned to budgeted revenues, one sees that total revenues from all other sources are estimated at \$635,290. Now let's compare this revenue to budgeted overspending (\$2,631,439). Again the reported difference (\$1,996,149) is \$560,691 more than budgeted expenses. This means that again, rather than refunding the unnecessary portions to those parcels which were assessed, the BFF together with the \$560,691 of positive cash flow were transferred to excess fund balance. Therefore, here the BFF was not just a revenue source for the alleged shortfall between budgeted revenues and intentional overspending. It became a funding source for future unappropriated, unbudgeted, pet projects or unforeseen expenses! Which explains why we had such a large excess fund balance in the Beach Fund.

And what does any of this have to do with the amounts required for those parcels/dwelling units which are assessed's

mere availability to access and use the beaches and other recreational facilities? Obviously nothing!

So what do we do with public employees who intentionally mis-state the facts and as a result, convince our innocent trustees to rubber stamp the mis-statement? Because they have an agenda, and the ends justify the means, if you're Indra we give them promotions to "directorships," with a commensurate increase in compensation. And you wonder why we just don't seem to be able to reduce our negative cash flow?

Respectfully, Aaron Katz

EXHIBIT "C"

April 12, 2023 Board Meeting - Agenda Item G(7) - Staff's Request You Adopt a RFF/BFF to Cover the Shortfall Caused by Their Overspending and to Create a Funding Source For Future CIPs Like The Beach House, Snowflake Lodge, Ski Way and Staff's Cherished Spiffy New Admin Bldg - #3 - Limiting the Number of Parcels Being Assessed to Just Those Whose Past RFFs/BFFs Are Delinquent0

From: <s4s@ix.netcom.com>
To: Dent Matthew <dent_trustee@ivgid.org>
Cc: Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>
Subject: April 12, 2023 Board Meeting - Agenda Item G(7) - Staff's Request You Adopt a RFF/BFF to Cover the Shortfall Caused by Their Overspending and to Create a Funding Source For Future CIPs Like The Beach House, Snowflake Lodge, Ski Way and Staff's Cherished Spiffy New Admin Bldg - #3 - Limiting the Number of Parcels Being Assessed to Just Those Whose Past RFFs/BFFs Are Delinquent0
Date: Apr 8, 2023 1:16 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

Each of you know I am opposed to the RFF/BFF. The reasons are several fold, they're set forth in a companion e-mail I have contemporaneously sent to the Board, and I'm not going to repeat them here. Other than to observe they represent invalid special taxes against real property rather than the standby and service charges staff will ask you to MISrepresent to local parcel/dwelling unit owners and the public.

But putting my opposition aside, there are a series of actions staff is going to ask you as a Board to take, or not take, which are wrong. And I want each of you to be aware of the same before such actions are presented to you by staff for your approval.

This e-mail addresses the second. Limiting the number of parcels subject to the RFF/BFF to just those whose past RFFs/BFFs or portions thereof are delinquent.

NRS 318.201(9) instructs that "After the (required public) hearing, when the board has made a final decision on a service charge or fee to be collected on the county tax roll, the secretary shall prepare and file a final report, which shall contain a description of each parcel receiving the services and the amount of the charge, with the county assessor for inclusion on the assessment roll." Were it not for what I am about to share with you, I fully expect our Board secretary would be telling the County Treasurer to collect the RFF from 8,206 local parcels, and the BFF from 7,748 parcels. But staff will neglect to share with the Board NRS 318.201(4) which reads as follows: "The board may make the election specified in subsection 1 (that is to collect the RFF/BFF on the tax roll) with respect **only** to delinquent charges and may do so by preparing and filing the written report, giving notice and holding the hearing therein required only as to **such delinquencies**."

In other words, if the owner of a parcel subject to the District's RFF/BFF is not delinquent in his/her/its payment of past RFFs/BFFs, it is wrong for the District to instruct the County Treasurer to collect BFFs and/or RFFs for the forthcoming fiscal year (2023-24) on the tax roll! So how should the District collect BFFs and/or RFFs for the forthcoming fiscal year from parcels/dwelling units which are **not** delinquent in their payment of previous years' RFFs/BFFs? NRS 318 provides the ways and each of you can read them for yourselves rather than me doing so on your behaves. But bottom line, we **don't** do what staff suggests we do!

So what do we do with public employees who intentionally mis-state remedies and as a result, convince our innocent trustees to rubber stamp their. mis-statements/omissions? Because they have an agenda, the ends justify the means, and if you're Indra we give them promotions to "directorships" commensurate with increases in compensation. And you wonder why we just don't seem to be able to reduce our negative cash flow?

Respectfully, Aaron Katz

EXHIBIT "D"

April 12, 2023 Board Meeting - Agenda Item G(7) - Staff's Request the Board Adopt a RFF/BFF to Cover the Shortfall Caused by Their Overspending and to Create a Funding Source For Future CIPs Like The Beach House, Snowflake Lodge, Ski Way and Staff's Cherished Spiffy New Admin Bldg - #4 - Unreasonably Charging Local Parcel/Dwelling Unit Owners More Than the District's Costs to Furnish Service Charges and Standby Service Charges, for Services or Facilities Furnished by the District, or Charges for the Mere Availability of Service

From: <s4s@ix.netcom.com>
To: Dent Matthew <dent_trustee@ivgid.org>
Cc: Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>
Subject: April 12, 2023 Board Meeting - Agenda Item G(7) - Staff's Request the Board Adopt a RFF/BFF to Cover the Shortfall Caused by Their Overspending and to Create a Funding Source For Future CIPs Like The Beach House, Snowflake Lodge, Ski Way and Staff's Cherished Spiffy New Admin Bldg - #4 - Unreasonably Charging Local Parcel/Dwelling Unit Owners More Than the District's Costs to Furnish Service Charges and Standby Service Charges, for Services or Facilities Furnished by the District, or Charges for the Mere Availability of Service
Date: Apr 8, 2023 1:39 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

Each of you know I am opposed to the RFF/BFF. The reasons are several fold, they're set forth in a companion e-mail I have contemporaneously sent to the Board, and I'm not going to repeat them here. Other than to observe they represent invalid special taxes against real property rather than the standby and service charges staff will ask you to MISrepresent to local parcel/dwelling unit owners and the public.

But putting my opposition aside, there are a series of actions staff is going to ask you as a Board to take, or not take, which are wrong. And I want each of you to be aware of the same before such actions are presented to you by staff for your approval.

This e-mail addresses the third. The number of parcels subject to the RFF/BFF, and the amounts of the RFF/BFF based upon that number.

According to Mr. Navazio, "each year, the District establishes...annual Recreation and Beach Facility Fee(s)...collected from property owners within the District through a levy placed on the(ir) property tax bill(s)" [see pages 999-1000 of the the 4/12/2023 Board packet]. In accordance with NRS 318.201(1); 'staff prepare (a) report for (their) collection (as) recreation standby and service charges (also known as the RFF and the BFF) on the Washoe County Tax Roll (see page 1000 of the 4/12/2023 Board packet). Per section I of that report (see page 1005 of the 4/12/2023) you are asked to find that "the following annual charges are for **the availability of use of the recreational facilities** above described."

"At (a publicly noticed) meeting the Board of Trustees (will) t(ake) action (via resolution)...approv(ing) the) preliminary report as well as set(ting a) public hearing (date, generally held in May of each year) to consider final action for the forthcoming fiscal year" (that's the upcoming April 12, 2023 date). "Upon...conclusion of the (final) hearing the Board (will) be asked to approve a final report which will contain a description of each parcel of real property receiving...services and facilities(, and) the (final) amount of the charge(s)...for such year" [see NRS 318.201(8) and (9) as well as page 1000 of the 4/12/2023 Board packet]. By reason of section 4(b) of that resolution you will be asked to "find that each parcel assessed pursuant to this Resolution (rather than the owner of each such parcel) and in its report for the collection on the Washoe County tax roll of standby and service charges for the fiscal year 2023-2024 is specifically benefited as follows...availability of the use of IVGID's beaches; boat launch ramp; Championship golf course; Mountain golf course; tennis facilities; the Chateau and

Aspen Grove; Diamond Peak Ski Resort, and (the) Recreation Center" (see page 230 of the 5/26/2022 Board packet).

Okay. What are the "just and reasonable" costs [NRS 704.040(2) make EVERY charge that a public utility district like IVGID charges UNLAWFUL unless the charge is "just and reasonable" the District incurs to merely make the public's recreational facilities available for use just by those local parcels (rather than the owners of each such parcel) which are assessed? Although staff want you to believe those costs are identical to the RFF/BFF, that's not the case. By definition they have to be less because in the next breath (see paragraph 3 at page 229 of the 5/26/2022 Board packet) you are told they pay for "the acquisition, administration, operation, maintenance and improvement of the recreational facilities, including the improvements thereon, and of the servicing of bonds issued or to be issued therefor," and you have no idea what those costs actually are. You need to insist upon the fact that these mere "availability" numbers are required.

BTW, to those who counter that the "just and reasonable" requirement only applies to the District's water, sewer and solid waste disposal services it furnishes, are you telling me it's unacceptable for the District to charge unjust and unreasonable water, sewer and solid waste disposal rates and charges, yet it is acceptable to charge unjust and unreasonable beach and recreation service rates and charges? I don't think so.

And regardless, since the fees a GID charge for a service it furnishes for which a special benefit is conferred, that charge must be no more than the District's actual costs incurred. Because if the "fee" unreasonably exceeds the value of the specific services for which it is charged, it will be held (to be) invalid as something other than a fee" (like a tax) [see *Executive Aircraft Consulting, Inc.*, 252 Kan. 421, 845 P.2d 57, 62 (1993) quoting *National Cable Television Assn Inc. v.F.C.C.*, 554 F.2d 1094, 1106 (D.C. Cir. 1976)].

Now the proposed report and resolution referenced above will tell you what the RFF/BFF pay for. But it's not the "just and reasonable" cost the District incurs to merely make the public's recreational and beach facilities available for use just by those local parcels (rather than the owners of each such parcel) which are assessed. It's for "the acquisition, administration, operation, maintenance and improvement of the recreational facilities, including the improvements thereon, and...the servicing of bonds issued or to be issued therefor," which represent nothing more than the difference between revenues and overspending, globally, assigned by staff to the Community Services (insofar as the RFF is concerned) and Beach (insofar as the BFF is concerned) Funds, respectively are concerned. Don't they? If you answer "no," then my question to you is what other costs are not included in the acquisition, administration, operation, maintenance and improvement of the recreational facilities, including the improvements thereon, and of the servicing of bonds issued or to be issued therefor? There aren't any, are there?.

So you see that staff are attempting to get you to set the RFF/BFF at levels for one thing, while having you find they pay for something else. Are you going to stand for this?

So what I am asking is that you find no more than just and reasonable RFFs/BFFs that pay for nothing more than the costs the District incurs to make the public's recreational facilities available for use by just those local parcels/dwelling units (rather than the owners of each such parcel)/dwelling unit which are assessed, rather than the remainder of the world's tourists who do not pay.

So what do we do with public employees who intentionally mis-state the facts and as a result, convince our innocent trustees to rubber stamp mis-statements such as these? Because they have an agenda, the ends justify the means, and if you're Indra we give them promotions to "directorships," with a commensurate increase in compensation. And you wonder why we just don't seem to be able to reduce our negative cash flow?

Respectfully, Aaron Katz

EXHIBIT “E”

April 12, 2023 Board Meeting - Agenda Item G(7) - Staff's Request You Adopt a RFF/BFF to Cover the Shortfall Caused by Their Overspending and to Create a Funding Source For Future VCIPs Like The Beach House, Snowflake Lodge, Ski Way and Staff's Cherished Spiffy New Admin Bldg - #5 - Providing Standing to Parcel Owners So They Can Seek Refund of Past RFFs/BFFs They've Been Involuntarily Forced to Pay Without Due Process

From: <s4s@ix.netcom.com>
To: "Dent Matthew" <dent_trustee@ivgid.org>
Cc: "Schmitz Sara" <schmitz_trustee@ivgid.org>, "Tonking Michaela" <tonking_trustee@ivgid.org>, "Noble Dave" <noble_trustee@ivgid.org>, "Tulloch Ray" <tulloch_trustee@ivgid.org>
Subject: April 12, 2023 Board Meeting - Agenda Item G(7) - Staff's Request You Adopt a RFF/BFF to Cover the Shortfall Caused by Their Overspending and to Create a Funding Source For Future VCIPs Like The Beach House, Snowflake Lodge, Ski Way and Staff's Cherished Spiffy New Admin Bldg - #5 - Providing Standing to Parcel Owners So They Can Seek Refund of Past RFFs/BFFs They've Been Involuntarily Forced to Pay Without Due Process
Date: Apr 8, 2023 1:51 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

Each of you know I am opposed to the RFF/BFF. The reasons are several fold, they're set forth in a companion e-mail I have contemporaneously sent to the Board, and I'm not going to repeat them here. Other than to observe they represent invalid special taxes against real property rather than the standby and service charges staff will ask you to MISrepresent to local parcel/dwelling unit owners and the public.

But putting my opposition aside, there are a series of actions staff is going to ask you as a Board to take, or not take, which are wrong. And I want each of you to be aware of the same before such actions are presented to you by staff for your approval.

This e-mail addresses the fourth. Allowing parcel owners who want to seek refund of the RFF/BFF they've been forced to pay the procedural standing and Due Process means to do so.

This is supposed to be America. And in America there can be no taking of property nor other rights without Due Process of Law. That means a forum for citizens to petition their government to seek the recovery of property which has been improperly taken from them without the opportunity to challenge the taking's validity.

It is for this very reason that NRS 318.201(12) states that "All laws applicable to the levy, collection and enforcement of general taxes of the county, including, but not limited to, those pertaining to the matters of delinquency, correction, cancellation, refund, redemption and sale, are applicable to such charges." And paragraph 8 of the resolution staff will proposed pursuant to NRS 318.201(9) [see pages 230-231 of the 5/26/2022 Board packet], will have the Board stating that the RFF/BFF "shall be collected at the same time and in the same manner and by the same persons as, together with and not separately from the general taxes for the District, and shall be delinquent at the same time and thereafter be subject to the same delinquent penalties; and 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." And paragraph VI of the report the resolution pursuant to

NRS 318.201(9) will adopt (see page 236 of the 5/26/2022 Board packet) will state that "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" the RFF/BFF.

This is called Due Process of Law, and it is for the very same reason paragraph 102(c) of Ordinance No. 7 provides a procedural mechanism before a parcel owner's recreation privileges can be suspended or revoked. So why not the same Due Process here?

The laws for seeking refund of general taxes paid to the county require that the claimant first seek administrative review. This takes place by filing written appeal with the County Board of Equalization ("BOE") within designated time limits. If the claimant is not satisfied with the results of his/her/its appeal with the County BOE, he/she/it can file appeal to the State BOE. If still not satisfied, he/she/it may seek judicial review. This is the very process the League to Save Incline Assets went through when it challenged the assessment practices of our then County Assessor.

But these laws do not work when it comes to seeking refund of the RFF/BFF even though the resolution the Board adopts and NRS 318.201 declare. The reason being a claimant cannot make it through the door of first stage administrative review (the County BOE) because the only appeals the county BOE will entertain are those related to the assessment of real property. And because here those who pay the RFF/BFF are not challenging their validity based upon assessed valuation grounds, such claimants cannot make it into the first appeal door, the second appeal door (the State BOE), nor seeking judicial review. So if you're of the mindset you only want to make it look to the casual observer that Due Process rights are being afforded to local parcel owners when they're not, go ahead and do what you've been doing for decades - NOTHING. Which will guaranty that any such claimants are deprived of Due Process of law.

But if you believe claimants should be entitled to exercise their due process rights to administrative review, you will adopt an administrative process like you've done for Ordinance No. 7 which provides for that review. And that's what needs to be done here!

Respectfully, Aaron Katz

EXHIBIT "F"

April 12, 2023 Board Meeting - Agenda Item G(7) - Staff's Request the Board Adopt a RFF/BFF to Cover the Shortfall Caused by Their Overspending and to Create a Funding Source For Future Vital CIPs Like The Beach House, Snowflake Lodge, Ski Way and Staff's Cherished Spiffy New Admin Bldg - #6 - Adopting Regulations For Connection to/Disconnection From the District's Recreation Facilities and Their Proffered Services

From: <s4s@ix.netcom.com>
To: "Dent Matthew" <dent_trustee@ivgid.org>
Cc: "Schmitz Sara" <schmitz_trustee@ivgid.org>, "Tonking Michaela" <tonking_trustee@ivgid.org>, "Noble Dave" <noble_trustee@ivgid.org>, "Tulloch Ray" <tulloch_trustee@ivgid.org>
Subject: April 12, 2023 Board Meeting - Agenda Item G(7) - Staff's Request the Board Adopt a RFF/BFF to Cover the Shortfall Caused by Their Overspending and to Create a Funding Source For Future Vital CIPs Like The Beach House, Snowflake Lodge, Ski Way and Staff's Cherished Spiffy New Admin Bldg - #6 - Adopting Regulations For Connection to/Disconnection From the District's Recreation Facilities and Their Proffered Services
Date: Apr 8, 2023 2:12 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

Each of you know I am opposed to the RFF/BFF. The reasons are several fold, they're set forth in a companion e-mail I have contemporaneously sent to the Board, and I'm not going to repeat them here. Other than to observe they represent invalid special taxes against real property rather than the standby and service charges staff will ask you to MISrepresent to local parcel/dwelling unit owners and the public.

But putting my opposition aside, there are a series of actions staff is going to ask you as a Board to take, or not take, which are wrong. And I want each of you to be aware of the same before such actions are presented to you by staff for your approval.

This e-mail addresses the fifth. Allowing parcel owners who want to disconnect from the District's recreation facilities and the taking of their services, to do so.

Let's consider what the RFF/BFF pay for. At least according to staff, NRS 318.201(9) requires the Board to adopt a resolution determining the amount of the RFF/BFF, what it represents, against which local parcels it should be levied, and instructing the County Treasurer to collect the same on the county tax roll. Paragraph 4 of that resolution (see pages 229-230 of the 5/26/2022 Board packet) will state as follows: "The Board of Trustees finds that each parcel assessed pursuant to this Resolution and in its report for the collection on the Washoe County tax roll of standby and service charges for the fiscal year 2023-2024 is specifically benefited as follows:" And Paragraph 4(b) of that resolution (see page 230 of the 5/26/2022 Board packet) will state as follows: "The Board specifically finds that the availability of the use of IVGID's beaches; boat launch ramp; Championship golf course; Mountain golf course; tennis facilities; the Chateau and Aspen Grove; Diamond Peak Ski Resort, and Recreation Center...are all benefits which...are provided to said properties whether or not they are developed."

Paragraph 6 of that resolution (see page 230 of the 5/26/2022 Board packet) will state as follows: "Th(e final)...report [adopted pursuant to NRS 318.201(9)], as revised, changed, reduced or modified, if any, is hereby adopted." That report will be labeled a "REPORT FOR COLLECTION ON THE COUNTY TAX ROLL OF RECREATION STANDBY AND

SERVICE CHARGES (ALSO KNOWN AS THE RECREATION FACILITY FEE AND BEACH FACILITY FEE) PROCEDURE FOR COLLECTION UNDER NRS 318.201" (see page 232 of the 5/26/2022 Board packet). Section I of that report (see page 234 of the 5/26/2022 Board packet) will state that: "The following annual charges are for the availability of use of the recreational facilities above described."

Based upon the above recitals, according to the District the RFF/BFF are "annual...standby and service charges...for the (mere) availability of use of the recreational facilities above described." This description has been very artfully drafted to comply with NRS 318.197(1) which states "The board may fix, and from time to time increase or decrease...rates,tolls or charges other than special assessments, including, but not limited to,service charges and standby service charges, for services or facilitiesfurnished by the district (and) charges for the availability of service,"

So do you know what a standby service charge is for the availability of service? Why don't you ask Josh? Although you won't find a definition in the NRS, I think you will be advised it means some sort of property levy imposed on physically connected or immediately adjacent parcels capable of being physically connected for the mere availability of some type of public health and sanitation service (like water, sewer, and possibly solid waste disposal) of direct benefit to those parcels which are assessed assuming the provider is capable of delivering those services. Under this definition, the RFF/BFF are not legitimate standby service charges.

First of all, no "service" is delivered in consideration of payment.

Second of all,no District recreation facility is physically connected to those parcels/dwelling units which are assessed.

Third of all, no District recreation facility is capable of physical connection to the overwhelming majority of parcels which are assessed because they are not immediately adjacent.

Fourth of all, according to the District no recreation services nor facilities are furnished to those parcels which are assessed.

Fifth of all, because no recreation services are capable of being furnished to those parcels which are assessed, payment of theRFF/BFF cannot possibly be for the "availability" to access and use those services. Although according to the District recreation facilities are capable of being furnished to those parcels which are assessed. So according to the District, payment of the RFF/BFF can and is for the "availability"to access and use those facilities. But take another look at NRS 318.197(1). According to its plain language, although standby service charges can be fixed for the "availability of service," there is nothing which states it can be fixed for the "availability of facilities."

Since the District tells us the RFF/BFF represent standby service charges for the availability of facilities, sixth of all, there is no statutory authority for the District's involuntary assessment of the RFF/BFF.

Seventh of all, the District is not capable of delivering the recreation facilities it proffers to all parcels which are assessed. If all such parcels demanded water or sewer services at the same time, the public's water and sewer systems are capable of delivering the same. But if all parcels which are assessed demand access to and use of the District's recreational facilities at the same time, the District is incapable of delivering.

Eighth of all, assuming for purposes of argument that the RFF/BFF pay for public recreation services rather than facilities, those services are not equivalent to health and sanitation services supplied to properties, and not people.

Finally, take a look at NRS 318.197(4) which states: "The board shall prescribe and enforce regulations for the connection withand the disconnection from properties of the facilities of the district and the taking of its services." Okay. Where are those regulations? After all, the statute is clear in that those regulations SHALL be prescribed.

You and your followers may think the District's recreational facilities are "world class" and the greatest thing since butter to bread. But not all of us share those views. And we'd like to have our properties disconnected from recreation properties of the facilities of the district and the taking of their recreation services. So how do we exercise this right? Regulations need to be adopted as NRS 318.197(4) instructs!

Respectfully, Aaron Katz

EXHIBIT "G"

April 12, 2023 Board Meeting - Agenda Item G(7) - Staff's Request the Board Adopt a RFF/BFF to Cover the Shortfall Caused by Their Overspending and to Create a Funding Source For Future CIPs Like The Beach House, Snowflake Lodge, Ski Way and Staff's Cherished Spiffy New Admin Bldg - #7 - The District's Exemptions From Paying The RFF/BFF Are Not Allowed Under NRS 318, Under Any Other NRS or De the Constitution

From: <s4s@ix.netcom.com>
To: Dent Matthew <dent_trustee@ivgid.org>
Cc: Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>
Subject: April 12, 2023 Board Meeting - Agenda Item G(7) - Staff's Request the Board Adopt a RFF/BFF to Cover the Shortfall Caused by Their Overspending and to Create a Funding Source For Future CIPs Like The Beach House, Snowflake Lodge, Ski Way and Staff's Cherished Spiffy New Admin Bldg - #7 - The District's Exemptions From Paying The RFF/BFF Are Not Allowed Under NRS 318, Under Any Other NRS or De the Constitution
Date: Apr 8, 2023 2:39 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

Each of you know I am opposed to the RFF/BFF. The reasons are several fold, they're set forth in a companion e-mail I have contemporaneously sent to the Board, and I'm not going to repeat them here. Other than to observe they represent invalid special taxes against real property rather than the standby and service charges staff will ask you to MISrepresent to local parcel/dwelling unit owners and the public.

But putting my opposition aside, there are a series of actions staff is going to ask you as a Board to take, or not take, which are wrong. And I want each of you to be aware of the same before such actions are presented to you by staff for your approval.

This e-mail addresses the sixth. Excepting, excluding or exempting parcels subject to the RFF/BFF from making payment based upon who the identity of the owner(s) of those parcels.

Staff proposes the District will continue to exempt favored collaborators, including itself, from paying the RFF/BFF (see paragraph I(D) at page 1005 of the 4/12/2023 Board packet) notwithstanding **nowhere** in NRS 318 nor anywhere else in the NRS nor the Constitution are such exemptions recognized. So where is the authority? The answer is *nowhere*. It was fabricated by IVGID staff. And don't let your Josh counsel you that the power to fix rates and charges includes the power to fix those rates on a discriminatory or preferential basis (i.e., \$0 for some parcels, and \$780 for others).

Let's start with Policy No. 16.1.1. ¶2.0.6 of that Policy defines "Exempt Real Property...to be real property...located within the current geographic boundaries of the District...which Washoe County has exempted from paying Washoe County property tax(es). 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." Based upon this authority, listen how the Board excepts and excludes parcels/dwelling units in the report presented to be approved through ¶I(D) of the report adopted by ¶6 of the resolution (see page 234 of the 5/26/2022 Board packet) I anticipate will ultimately be adopted pursuant to NRS 318.201(9): "Lots, parcels and areas of land...or the portions thereof used, or intended to be used, for religious...or educational purposes; common areas without occupied structures appurtenant to a condominium or townhouse cluster; and publicly owned lands...In addition, any parcel which is (1) undeveloped, and (2) subject to a deed restriction, acceptable to IVGID staff, preventing any and all development...in perpetuity...(3) whose owner agrees to waive in perpetuity on his own behalf as well as on behalf of his successors and assigns any right to demand in the future any recreation privileges arising from or associated with said parcel is also excepted and excluded from the (RFF/BFF) charges imposed."

As I have stated many times before, IVGID is a limited purpose special district. Its basic powers "must be one or more of those (expressly) authorized in NRS 318.116 as supplemented by the sections of this chapter designated therein" [see NRS 318.055(4)(b)] and no other [see A.G.O. No. 63-61, p. 102 at p. 103 (August 12, 1963)]. So take a look at NRS 318.197(1). Do you see anywhere where a GID has the power to except and exclude any of the rates, tolls and charges it is empowered to fix? Take a look at NRS 318.116. Do you see anywhere where a GID has the power to pass laws or to legislate because the State has chosen not to? Do you see anywhere where a GID has the power to fill any legislative void omitted by the Legislature? Harking back to *Dillon's Rule*, don't you recall that "if there is any fair or reasonable doubt concerning the existence of a power, that doubt is (to be) resolved against the (local government) and the power...*denied*." Is there any fair or reasonable doubt concerning the District's power to except and exclude parcels/dwelling units from paying the rates, tolls and charges it is empowered to fix? Regardless of the answer, IVGID has no power to adopt BFF/RFF exceptions, exclusions and exemptions.

I know where this language comes from and it's Article 10, ¶1 of the Nevada Constitution which states "1. The Legislature shall provide by law for a uniform and equal rate of...taxation, and shall prescribe such regulations as shall secure a just valuation for taxation of all property... (Notwithstanding,) 8. The Legislature may exempt by law property used for municipal, educational, literary, scientific or other charitable purposes, or to encourage the conservation of energy or the substitution of other sources for fossil sources of energy." But this portion of the Constitution pertains to TAXES rather than fees. And it requires uniformity (see Article 4, ¶21 of the Constitution which states that "in all cases...where a general law can be made applicable, all laws shall be general and of uniform operation throughout the State") which is what you DON'T have when you fix Rec Fees of \$780 annually for my home, and \$0 annually for property owned by IVGID. Which means it has no application to the RFF/BFF.

Please think about this subject now that staff have presented their preliminary NRS 318.201(1) report for you to approve. ALL exemptions/exceptions need to be deleted because they are discriminatory, preferential, non-uniform and expressly not authorized anywhere in NRS 318.

Respectfully, Aaron Katz

EXHIBIT "H"

April 12, 2023 Board Meeting - Agenda Item G(7) - Staff's Request the Board Adopt a RFF/BFF to Cover the Shortfall Caused by Their Overspending and to Create a Funding Source For Future CIPs Like The Beach House, Snowflake Lodge, Ski Way and Staff's Cherished Spiffy New Admin Bldg - #8 - The RFF/BFF Are Not Legitimate Standby Service Charges

From: <s4s@ix.netcom.com>
 To: Dent Matthew <dent_trustee@ivgid.org>
 Cc: Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Ray Tulloch <ray@tulloch4ivgidtrustee.com>
 Subject: April 12, 2023 Board Meeting - Agenda Item G(7) - Staff's Request the Board Adopt a RFF/BFF to Cover the Shortfall Caused by Their Overspending and to Create a Funding Source For Future CIPs Like The Beach House, Snowflake Lodge, Ski Way and Staff's Cherished Spiffy New Admin Bldg - #8 - The RFF/BFF Are Not Legitimate Standby Service Charges
 Date: Apr 8, 2023 6:58 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

Each of you know I am opposed to the RFF/BFF. The reasons are several fold, they're set forth in a companion e-mail I have contemporaneously sent to the Board, and I'm not going to repeat them here. Other than to observe they represent invalid special taxes against real property rather than the standby and service charges staff will ask you to MISrepresent to local parcel/dwelling unit owners and the public.

But putting my opposition aside, there are a series of actions staff is going to ask you as a Board to take, or not take, which are wrong. And I want each of you to be aware of the same before such actions are presented to you by staff for your approval.

This e-mail addresses the seventh. The RFF/BFF cannot be legitimate NRS 318.197(1) standby service charges for the mere availability of services for a variety of reasons. Here I concentrate on the fact the District is NOT capable of rendering those services to those parcels/dwelling units which are assessed; certainly not on the latter's time schedule.

But before I make my argument, please understand that just because staff tell us the RFF/BFF are NRS 318.197(1) standby service charges for the mere availability to access and use the District's beach and public recreation facilities, **DOESN'T** make it so! That's because "the nature of (a)...charge that (the) law imposes is *not* determined by the label given...but (rather,)//its operating incidence" [see Clean Water Coalition v. The M Resort, LLC, 127 Nev. 301, 255 P. 3d 247, 256 (2011) citing State v. Medeiros, 89 Haw. 361, 973 P.2d 736, 741 (1999)]. Thus "courts will determine and classify (monetary exactions) on the basis of realities" [see Hukle v. City of Huntington, 134 W.Va. 249, 58 S.E.2d 780, 783 (1950)] rather than labels, looking to their "operative effect" [see Emerson College v. City of Boston, 39 Mass. 415, 462 N.E.2d 1098, 1105 (1984)]. Especially when as here the RFF/BFF were "undoubtedly drafted with [NRS 318.197(1)'s predecessor's labeling] firmly in mind" [see Rider v. County of San Diego, 1 Cal.4th 1, 15, 820 P.2d 10 (1991)]. In other words, courts will not allow the ends to justify the means.

Now with that said, although the Nevada Supreme Court has never interpreted the term "standby service charge," courts in other jurisdictions have. And those courts [such as Keller v. Chowchilla Water Dist., 80 Cal.App.4th 1006, 1011, 96 Cal.Rptr. 246, 250-251 (2000)] have defined the exaction to mean some sort of monetary *levy against property* imposed for the mere availability to water and/or sewer [see Medeiros, supra, at 89 Haw. 367, 973 P.2d 742 (1999); Chapman v. City of Albuquerque, 65 N.M. 228, 335 P.2d 558, 562 (1959); Graham v. City of Lakewood Village, 796 S.W.2d 800, 801 (1990); Lakeside Utilities Corp. v. Bernum, 5 Ohio.St.3d 99, 449 N.E.2d 430, 431 (1983)] services [in other words, health and sanitation services {see McMillan v. Texas National Resources Conservation Comm'n, 983 S.W.2d 359, 365 (1998)}] (rather than *facilities*) delivered [see State v. City of Port

Orange, 650 So.2d 1, 3 (1994); Chapman, supra, at 65 N.M. 228, 335 P.2d 561] or capable of delivery (Chapman, supra, at 335 P. 564), and of direct benefit [see Solvang Mun. Improvement Dist. v. Board of Supervisors, 112 Cal.App.3d 545, 552, 169 Cal.Rptr. 391 (1980)] to those real properties [see Kennedy v. City of Ukiah, 69 Cal.App.3d 545, 553, 138 Cal.Rptr. 207 (1977)] which are assessed, whether or not those services are actually used [see San Diego Cty. Water Auth. v. Metro. Water Dist., 117 Cal.App.4th 13, 27, 11 Cal.Rptr. 446, 457 (2004)]. So as you can see, one of the necessary requisites is that the public entity assessing the RFF/BFF, **MUST** be capable of actually providing the service if the property assessed were to be an actual customer and requesting the service.

But here the District is **NOT** capable of furnishing these services to all real properties which are assessed if/when they want to access and use those services. Just look at golf. The District is capable of offering a maximum of twenty-four (24) T-times per hour at each of its golf courses. But there are over 8,200 assessed parcels. What happens when more than twenty-four (24) seek to access and use prime T-times at once? The District is **NOT** capable. Same result if we speak of the eleven (11) or so tennis courts we have, or the limited number of fitness equipment we have at the Rec Center. And because the District is **NOT** capable, it may not legitimately assess recreation standby service charges ["no standby fee c(an) lawfully be assessed...if other property owners (can) appropriate...all other remaining (T-times) before" just one who seeks the same and is assessed the standby service fee (see McMillan, Id.)!]

Now I can go through a similar analysis for each of the other elements of a standby service charge and conclude what I've concluded here; that the RFF/BFF are not legitimate NRS 318.197(1) standby service charges. Is that what you want me to do? Assuming not, the proposed resolution and report staff have presented for your approval should NOT be adopted because the District is **NOT** capable of delivering the recreation services represented in consideration of forced payment of the RFF/BFF/

But let me ask you this. Have I presented enough questions as to the validity of staff's RFF/BFF? If so, why wouldn't we want to get a final and binding interpretation once and for all? I am not suggesting spending another \$100K or so with the Balkenbush law firm for a non-binding opinion. Rather, I am suggesting a NRS 43.100)1_ validation petition. This statute instructs that the Board "may file or cause to be filed a petition at any time in the district court in and for any county in which the municipality is located or any act or project is undertaken....0praying a judicial examination and determination of the validity of any power conferred or of any instrument, act or project of the municipality, whether or not such power has been exercised, such instrument has been executed or otherwise made or such act or project has been taken." "Upon hearing the court shall examine into and determine all matters and things affecting the question submitted, shall make such findings with reference thereto and render such judgment and decree thereon as the case warrants" [see NRS 43.140(1)]. That judgment shall be full and determinative forever once final.

Now why wouldn't you want to resolve this issue once and for all forever?

Respectfully, Aaron Katz

EXHIBIT “I”

April 12, 2023 Board Meeting - Agenda Item G(7) - Staff's Request the Board Adopt a RFF/BFF to Cover the Shortfall Caused by Their Overspending and to Create a Funding Source For Future CIPs Like The Beach House, Snowflake Lodge, Ski Way and Staff's Cherished Spiffy New Admin Bldg - #9 - Impermissible Use of NRS 318.201 to Collect the RFF/BFF on the County Tax Roll

From: <s4s@ix.netcom.com>
To: Dent Matthew <dent_trustee@ivgid.org>
Cc: Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>
Subject: April 12, 2023 Board Meeting - Agenda Item G(7) - Staff's Request the Board Adopt a RFF/BFF to Cover the Shortfall Caused by Their Overspending and to Create a Funding Source For Future CIPs Like The Beach House, Snowflake Lodge, Ski Way and Staff's Cherished Spiffy New Admin Bldg - #9 - Impermissible Use of NRS 318.201 to Collect the RFF/BFF on the County Tax Roll
Date: Apr 8, 2023 6:59 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

Each of you know I am opposed to the RFF/BFF. The reasons are several fold, they're set forth in a companion e-mail I have contemporaneously sent to the Board, and I'm not going to repeat them here. Other than to observe they represent invalid special taxes against real property rather than the standby and service charges staff will ask you to MISrepresent to local parcel/dwelling unit owners and the public.

But putting my opposition aside, there are a series of actions staff is going to ask you as a Board to take, or not take, which are wrong. And I want each of you to be aware of the same before such actions are presented to you by staff for your approval.

This e-mail addresses the eighth. Using a procedure to collect the RFF/BFF on the county tax roll (see NRS 318.201), that is not authorized by statute.

Most Board members probably believe that any rate or charge which can be fixed pursuant to NRS 318.197(1) can be collected by the County Treasurer on the county tax roll. But if that's you, you're respectfully wrong. The only such rates or charges that can be collected in this manner are those which represent payment for services or facilities delivered to real property. Don't believe me? Take a look at the title page to the report presented by staff in support of their request the RFF/BFF be collected by the County Treasurer on the tax roll (see page 1003 of the 4/12/2023 Board packet). There we are told that the report which follows has been initiated as the "PROCEDURE FOR COLLECTION UNDER NRS 318.201." So let's examine NRS 318.202(1) and (9).

NRS 318.201(1) instructs that "Any board which has adopted rates pursuant to this chapter may...elect to have such charges...collected on the tax roll in the same manner, by the same persons, and at the same time as, together with and not separately from, the county's general taxes (by)...caus(ing) a written report to be prepared and filed with the secretary (that report appears at pages 1003-1008 of the 4/12/2023 Board packet), which shall contain a **description of each parcel of real property receiving such services and facilities and the amount of the charge for each parcel for such year.**" Similarly, NRS 318.201(9) instructs that "After the (noticed public) hearing, when the board has made a final decision on a service charge or fee to be collected on the county tax roll, the secretary shall prepare and file a final report, which shall contain **"a description of each parcel receiving the services and the amount of the charge,** with the county assessor for inclusion on the assessment roll."

So it's pretty clear the RFF/BFF must furnish District recreation services or facilities to real property as a pre-requisite to being able to collect those charges on the county tax roll!

But according to staff, that's *NOT* what the RFF/BFF pay for. As elsewhere discussed in one of the other e-mails transmitted to the Board today, the District does not furnish any recreation "services" to the real property which is proposed to be assessed. Nor does it furnish any recreation "facilities" to the real property which is proposed to be assessed. Rather, those services at best are furnished to **people**. Paragraph 4(a) to the resolution the Board will ultimately be requested by staff to adopt (see page 229 of the 5/26/2022 Board packet) states that "Ordinance No. 7 sets forth in detail the specifics of the benefits available to property owners of all properties" (i.e., **people**). And paragraph 4(c) [see page 230 of the 5/26/2022 Board packet] states that "the Trustees find that the **owners of the parcels** (i.e., **people**) set forth herein are directly benefited in a fair and reasonable way."

Accordingly, ¶60 of Ordinance No. 7 instructs that: "Every eligible...Parcel may receive any combination of up to five (5) Cards (redeemable by **people**) that are IVGID Recreation Passes and/or Recreation Punch Cards."

And as former Finance Director Gerry Eick used to tell us year after year in his annual budget statement letter addressed to the "Board of Trustees and Citizens of Incline Village and Crystal Bay" (see page 10 of the 2018-19 Budget), "Each eligible parcel that pays the RFF can have five cards issued in the form of picture passes and/or punch cards or a combination of both. The Picture Passholder ('PPH') [i.e., a **person**] gets preferred pricing and/or preferred access to the District's major (recreation) venues or program(s)...A Punch Card Holder (i.e., a **person**) receives the opportunity, at designated venues, to reduce their user fees from the rack rate to the PPH rate."

And it's pretty clear the RFF/BFF do not pay for recreation services or facilities furnished to real property.

The proposed resolution and report staff have presented for your approval should NOT be adopted because the RFF/BFF fail to deliver recreation services or facilities to real property.

Respectfully, Aaron Katz

EXHIBIT "J"

April 12, 2023 Board Meeting - Agenda Item G(7) - Staff's Request the Board Adopt a RFF/BFF to Cover the Shortfall Caused by Their Overspending and to Create a Funding Source For Future CIPs Like The Beach House, Snowflake Lodge, Ski Way and Staff's Cherished Spiffy New Admin Bldg - #10 - The Amounts Required Based Upon the Number of Parcels/Dwelling Units Subject to the RFF/BFF

From: <s4s@ix.netcom.com>
 To: Dent Matthew <dent_trustee@ivgid.org>
 Cc: Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>, <ISW@ivgid.org>
 Subject: April 12, 2023 Board Meeting - Agenda Item G(7) - Staff's Request the Board Adopt a RFF/BFF to Cover the Shortfall Caused by Their Overspending and to Create a Funding Source For Future CIPs Like The Beach House, Snowflake Lodge, Ski Way and Staff's Cherished Spiffy New Admin Bldg - #10 - The Amounts Required Based Upon the Number of Parcels/Dwelling Units Subject to the RFF/BFF
 Date: Apr 10, 2023 1:00 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

Each of you know I am opposed to the RFF/BFF. The reasons are several fold, they're set forth in a companion e-mail I have contemporaneously sent to the Board, and I'm not going to repeat them here. Other than to observe they represent invalid special taxes against real property rather than the standby and service charges staff will ask you to MISrepresent to local parcel/dwelling unit owners and the public.

But putting my opposition aside, there are a series of actions staff is going to ask you as a Board to take, or not take, which are wrong. And I want each of you to be aware of the same before such actions are presented to you by staff for your approval.

This e-mail addresses the ninth. The amounts required for the RFF/BFF based upon the number of parcels which should be assessed the RFF/BFF in comparison to the lesser number bantered by staff. Not that I contend the RFF/BFF are permissible NRS 318.197(1) rates, tolls or charges, for purposes of this argument I assume *arguendo* that they are.

Paragraph II of the Report staff wants the Board to adopt pursuant to proposed Resolution No. 1901 (see page 1006 of the 4/12/2023 Board packet) states that "The amount of moneys required for the fiscal year extending from July 1, 2023, to June 30, 2024, has been determined by this Board to be about \$_____ for the Recreation Facility Fee and \$_____ for Beach Facility Fee for the proper servicing of said identified bonds and for the administration, operation, maintenance and improvement of said real properties, equipment and facilities." Once the Board fills in these blanks, each individual property's RFF/BFF can be calculated by dividing the number of parcels/dwelling units subject to either/both. **But what are the correct number of parcels/dwelling units subject to the RFF/BFF?**

At the Board's March 22, 2023 meeting, staff told the Board there were 7,748 parcels/dwelling units subject to the BFF, and 8,206 parcels/dwelling units subject to the rFF (see page 14 of the 3/22/2023 Board packet). **But these numbers are not accurate!**

If you do an historical review of these numbers, you will discover that they have remained pretty much the same for decades. Notwithstanding, parcels were added to the Recreation Roll when the District acquired unbuildable lots from the county which had IVGID's recreation privileges. And they were added when the first phase of Boulder Bay condominiums were completed. And they were added when the owner of that parcel on Highway 28 which was escaping assessment asked the Board some months ago to be added to the Recreation Roll so he could obtain recreation privileges. And I have consistently called to the Board's attention parcels which are escaping assessment. Etc., etc., etc. The point here being that the number of parcels used by staff is **not accurate**.

So why does this matter?

Because if the Board determines that \$X.00 are required and the number is divided by less parcels/dwelling units than should legitimately paying their fair share, those of us who are paying **will be paying too much!** Which is exactly what staff have been doing for some time, and propose doing again for the forthcoming fiscal year.

Because of these anomalies, several years ago Indra told us that staff were going to perform an audit to determine the correct number, and report back to the Board and the public. So did staff ever perform this audit? Have they determined the correct number? The answers are "no" and "no."

So before you come up with numbers to insert into the blanks above, you need to determine the correct number of parcels/dwelling units subject to the RFF/BFF (otherwise, how much are the RFF/BFF going to be per parcel/dwelling unit? Or are we simply picking numbers out of the air? Or is it that the amounts staff want the Board to insert are really NOT the amounts which are required? What's important is the amount of the RFF/BFF per parcel/dwelling unit). And if your staff can't do its job, you already know what my response is.

Respectfully, Aaron Katz

Public Comments - April 12, 2023 by Clifford F. Dobler

The Effluent pipeline project started back 12 years ago when IVGID management convinced the prior boards to collect \$2 million per year from rate payers, start the project in 2015 and be done three years later. The estimated cost was \$23 million.

Nothing was done other than applying band aids, shaking off governmental agencies, faking stories about government funding and doing repairs after repairs.

The reality was \$5.3 million was spent, of which, \$3.1 million was written off as useless exercises and paying for staff time, and another \$2.2 million for replacements which will be written off when abandoned next year.

In 2019, IVGID Staff, who were unable to manage the project, was tossed out and the Board decided to engage Granite Construction to assist in getting the project underway.

After fund and games for nearly four years, in January, 2023 HDR Engineers estimated that construction costs alone would be \$57,000,000. IVGID management, having no wisdom, and apparently not reading the estimate, failed to consider design, permits, staff time, inspection services and other consultants. Those additional costs will amount to several million dollars. So the budget remains at \$57 million achieved by lowering the construction estimates.

The phasing to install the pipe will be over four years with 5,500 LF in 2023, 11,000 LF in 2024, 9,500 LF in 2025 and 5,000 LF in 2026. The IVGID budget indicates each year will cost the exact same amount of \$14.5 million. Impossible with such wide variances.

Now tonight, you are being asked to approve contracts to install ONLY 5,365 LF of pipe, and when combined with other costs and pipe already purchased, will amount to \$13.6 million (page 313) or a staggering \$2,500 per LF. Applying that LF price to the entire 31,000 LF project the price tag will be \$77.5 million not including inflation. This is another \$20.5 million not budgeted.

A closer look at the Granite contract for \$9.4 million which consists of 23 line items when compared to the HDR January, 2023 estimate, pricing on line items have increased in the aggregate by 42.6%. You have received details of those increases. There is no explanation provided. This is what happens without competitive bidding.

So with the tag price up to \$77.5 million and another \$5.3 million in past waste \$82.8 will be the new hump to surpass.

Bets can be found that the end price will exceed \$100 million. Anyone in on it. After all this is Nevada.

PS: The HDR contract beginning on page 331 provides the Amendment purpose only to be removed in the second paragraph of Subtask 9.2 in the scope of work? Trustee Dent and Noble are you ok with this. Notice no signature by any staff member.