

MEMORANDUM

TO: Board of Trustees

FROM: Matthew Dent
Chairman

SUBJECT: Review, discuss, and provide feedback regarding the updates to the Board of Trustees Frequently Asked Questions (FAQs) to be shared with the community and on the District website

**RELATED STRATEGIC:
PLAN INITIATIVE(S)** Long Range Principle #7 - Communication

DATE: July 16, 2023

I. RECOMMENDATION

The Board of Trustees makes a motion to approve Board of Trustees Frequently Asked Questions (FAQs) as presented to be shared with the community and on the District website

II. BACKGROUND

At the June 28th Board of Trustees meeting, the Board of Trustees had a discussion around communications. One of the suggestions for improving communication or messaging after a decision centered around addressing some of the rumors circulating. The Board of Trustees Chairman was directed to bring forward a list of FAQ's as a starting point so the Board of Trustees can speak to these issues with one voice. These topics range from claims about individual Trustees, the Recreation Fee, previous Board decisions, golf rates, etc.

At the meeting on July 12th, the Board discussed many edits and recommended revisions. After reviewing LiveStream, the attached document has been updated to reflect the modifications requested.

III. BID RESULTS

Not applicable to this agenda item.

IV. FINANCIAL IMPACT AND BUDGET

Not applicable to this agenda item.

V. ALTERNATIVES

Not applicable to this agenda item.

VI. COMMENTS

No additional comments at this time.

VII. DISTRICT IMPROVEMENT, COST REDUCTION, RETURN ON INVESTMENT OR PRODUCTIVITY ENHANCEMENT

Improve communications between the Board of Trustees and the community and District Staff.

VIII. BUSINESS IMPACT

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

VIII. ATTACHMENTS

FAQ attachment

X. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES

The Board of Trustees needs to decide if the attached list is approved for posting on the District's website under Board of Trustees Meetings and Agendas.

IVGID Board of Trustees Frequently Asked Questions (FAQs)

1. RUMOR: **Not all Trustees live in Incline Village.** FACT: It is a requirement to live in Incline Village/Crystal Bay to be a Trustee. When Trustees are unable to personally attend the meetings due to travel or conflicts, the Chair is informed as whether the Trustee will attend virtually or will be absent. Per Policy 3.1, .05 “When using virtual technology, so long as there is adequate internet service, the Trustee must be on camera to qualify for voting.”
2. RUMOR: **There are Trustees who have committed Ethics violations.** FACT: At the time of this FAQ, no Trustee has been determined to have committed an Ethic Violation. BACKGROUND: Anyone may file a complaint to the Nevada Commission on Ethics. Filed complaints are not public record until the commission investigates and asserts jurisdiction. If the commission determines a complaint **does not** warrant an investigation, the person with the complaint filed against them has **no knowledge** of the filed complaint. If someone publicly shares their filed complaint, this does not necessarily indicate that a violation has occurred. This is determined by the Nevada Commission on Ethics. [A flowchart on the complaint process is available at: https://ethics.nv.gov/uploadedFiles/ethicsnv.gov/content/Resources/20171012_Complaint%20Process%20Flow%20Chart.pdf](https://ethics.nv.gov/uploadedFiles/ethicsnv.gov/content/Resources/20171012_Complaint%20Process%20Flow%20Chart.pdf).
3. RUMOR: **The District has a 30-40% employee vacancy rate.** FACT: At the time of this FAQ, the vacancy rate is 8.57%. To be informative and not static in time, the Director of HR will produce a monthly report on vacancy rates for the Board and the public.
4. RUMOR: **The Board is intending to privatize the venues.** FACT: No, this is false. The Board has never had discussions or a strategy to privatize the venues. The Board directed staff through the budget process to reduce budgets and stop overbudgeting. The goal of this is to truly understand what is needed for operations and capital. The Board views the venues as assets to the community and to property values. The Board is unclear what “privatizing” means. If it is outsourcing, the Board has never discussed outsourcing any venue.
5. RUMOR: **This Board changed or is changing “the model.”** FACT: No, from the Board’s perspective, “the model” is not, and has not changed. “The model”, as the Board views it, is for all Community Services venues, including Diamond Peak, the golf courses, the Recreation Center, and Tennis Center, to be funded through venue charges for services, profit sharing and if needed, the Recreation Fee assessed to parcel owners on an annual basis. The profit sharing from one venue to help support the

operations of other venues is as it has historically been done. The Board had lengthy discussions on golf rates and the pricing policy, however those discussions didn't include requiring the golf courses to be financially self-sufficient. The Board did move parks from Community Services to the General Fund since they are venues open to the general public and therefore will be funded through tax revenue instead of the recreation fee or profits from Diamond Peak.

6. RUMOR: **This Board interfered with properties held in LLC's, corporations and trusts from obtaining their Recreation Cards.** FACT: No, this is false. In May of 2022, the previous Board approved changes to Ordinance 7 with a 5-0 vote. There was confusion by staff with the implementation of Agent assignments for LLC's and corporations which was discovered in May of this year. The General Manager had been informed there were no issues with properties held in Trusts, however for some unknown reason, they too were impacted by the delay. Upon discovery of the issue, staff and District Legal Counsel requested input from Special Legal Counsel. This delayed card issuance by roughly two weeks. The issue has been resolved and staff started administering the privileges per Ord 7. The agent assignments were implemented to remove staff from being a 'concierge' to the entities in a similar manner to the changes made to how cards are issued for timeshares.
7. RUMOR: **Does lowering the Beach/Rec Fee lower property values.** RESPONSE: It is unclear whether the Recreation Fee has no direct correlation to property values and seems unclear that there is. The Recreation Fee is purely a standby services charge and the amount is projected annually to fund venue operations and capital improvements. The District has sufficient funds for both operations and capital improvements resulting in the lack of need or justification for collection of funds from parcel owners per Nevada Revised Statutes. All 5 Board members were in favor of lowering the Recreation Fee, the two options discussed would have decreased the Fee by \$225 or \$325, this led to a 3-2 vote. Every parcel/multi-residential unit will see a savings of \$325 on their Washoe County property tax bill. There was a goal by June 30, 2023, for staff to have a recommendation for a punch card replacement strategy. The meeting where you may see the discussion on the fees may be viewed on [LiveStream](#) beginning at 2:03.
8. RUMOR: **The reduction of the value of the punch cards is infringing on property rights.** FACT: No, it has no impact or change to property rights. All parcels/multi-residential units are being provided equal access, which was a primary goal of the Ordinance 7 committee. The value of a punch card

is simply 1/5th the value of the Recreation/Beach Fees and is a function of fees needed or not needed to fund venue operations and capital improvements. Picture Pass holders may pay, by credit card, for their guests. They do not need to use their punch cards.

9. RUMOR: **The Board sets golf rates.** FACT: No, the Board **approves** the rates. Staff conduct analysis, uses the Pricing Policy, and the golf committee recommendations to formulate rate recommendations for the Board's consideration. However, this year, the Board formulated the rates and limitations of the All You Can Play pass and the change in the cancellation policy. This was an anomaly that has not been done in years past. The cancellation policy was rescinded on July 12th, 2023. Staff has been recommending the elimination of the All You Can Play passes for the past 2 years. This year there were a few meetings discussing golf rates due to the lack of detailed financial analysis. The final meeting, on May 8th, provided the Board and the community with more detailed information on the 5-year financial performance of golf, golf food & beverage and the Pro Shops.
10. RUMOR: **The Golf cancellation policy was created by this Board.** FACT: Yes and no. There has been a cancellation policy for several years. At the May 8th meeting, the Board lengthened the cancellation policy from 72 hours to 120 hours in a large part due to the unknown impacts of eliminating the reservation fee charged to Passholders for reservations more than 2 weeks in advance. On July 6th, the Board, due to staff's assessment of the reservations and course utilization, the policy was **reverted to the prior 72-hour cancellation policy.**
11. RUMOR: This Board implemented or changed the pricing policy? FACT: No this is false, the current Board has not implemented or changed the policy. In November 2021, the Board was presented Pricing Policy 6.2.00 which was later approved at the March 2022 Board meeting. This policy was later revised in August 2022 to the current version.
12. RUMOR: **The District had a \$25M Grant for the Recreation Center Expansion.** FACT: No, Board member ever voted for or against a \$25M grant. At their meeting on 7/27/22, the [Board approved an agreement with the Foundation for no more than \\$2,415,000 for design and preconstruction services.](#) The agreement stated there was **"No Commitment: Neither party commits to the construction of the Expansion"**.

At the meeting 9/14/22 there were 2 agenda items; 1 for the modified design and 1 for the letter of support. The design agenda item had no reference to

unanimous support whereas the [letter was clear](#). The design passed 4-1 with Trustee Schmitz dissenting and requesting the Board appropriate funds to construct the project as originally designed, rather than reducing the scope that eliminated the multi-use gym and reduced the size of the youth areas. After the design vote, the Board voted 5-0 to approve the letter of unanimous support for the project. Chair Callicrate thanked the Foundation for their generous donation. Plans were submitted to TRPA the next morning. A day later, the Foundation verbally terminated the contract. While the contract allowed for a “cure”, the Board took no action. Click [here](#) for the meeting minutes.

There was a meeting on 10/24/2022 where the timeline and lessons learned were discussed. Click [here](#) for the meeting minutes.

13. QUESTION: ***What rules govern IVGID?*** As a general improvement district, IVGID is a quasi-municipal corporation subject to NRS 318. IVGID provides water, sewer, solid waste, and recreational services within its service area. As a public agency, IVGID is subject to other laws applicable to local governments in Nevada. This includes the Open Meeting Law, Ethics Law, and Public Records Act.