



NOTICE OF MEETING

Revision 1

The regular meeting of the Incline Village General Improvement District will be held starting at 6:00 p.m. on **Tuesday, April 14, 2020** in the Chateau, 955 Fairway Boulevard, Incline Village, Nevada.

In compliance with State of Nevada Executive Department, Declaration of Emergency Directive 006 (attached), this meeting is closed to the public and attendance is limited to members of the Board of Trustees and essential staff. Public comment is allowed and the public is welcome to make their public comment either via e-mail (please send your comments to info@ivgid.org by 4:30 p.m. on Tuesday, April 14, 2020) or via telephone (the telephone number will be posted to our website on the day of the meeting).

- A. PLEDGE OF ALLEGIANCE*
- B. ROLL CALL OF THE IVGID BOARD OF TRUSTEES*
- C. PUBLIC HEARING (TIME CERTAIN FOR 6 P.M.) – Proposed schedule of services for Sewer Ordinance #2 “An Ordinance Establishing Rates, Rules and Regulations for Sewer Service by the Incline Village General Improvement District” **and** Proposed schedule of services for Water Ordinance #4 “An Ordinance Establishing Rates, Rules and Regulations for Water Service by the Incline Village General Improvement District” **and** Proposed Fee Schedule – **pages 7 - 24**
- D. PUBLIC COMMENTS* - Limited to a maximum of three (3) minutes in duration.
- E. APPROVAL OF AGENDA (*for possible action*)

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

-OR-

The Board of Trustees may make a motion to accept and follow the agenda as submitted/posted.
- F. DISTRICT STAFF UPDATE (*for discussion only*)
 - 1. Interim District General Manager Indra Winquest – **pages 25 - 33**
- G. REPORTS TO THE IVGID BOARD OF TRUSTEES*
 - 1. District General Counsel: Law Firm of Hutchison & Steffen
 - 2. Board Treasurer Sara Schmitz

Incline Village General Improvement District

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

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

www.yourtahoeplace.com



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H. GENERAL BUSINESS (*for possible action*)

1. Review, discuss and possibly approve the proposed schedule of services for Sewer Ordinance #2 “An Ordinance Establishing Rates, Rules and Regulations for Sewer Service by the Incline Village General Improvement District” **and** Review, discuss and possibly approve the proposed schedule of services for Water Ordinance #4 “An Ordinance Establishing Rates, Rules and Regulations for Water Service by the Incline Village General Improvement District” **and** Review, discuss and possibly approve the proposed Fee Schedule – Resolution 1877 (Requesting Staff Member: Director of Public Works Joe Pomroy) – **pages 34 - 41**
2. Award a Procurement Contract for the Purchase of Replacement Rental Shop Equipment – 2019/2020 Capital Improvement Project: Fund: Community Services; Division: Ski; Project # 3468RE0002, Vendor: Rossignol, Amount \$285,834.75 (Requesting Staff Member: General Manager Diamond Peak Ski Resort Mike Bandelin) – **pages 42 - 47**
3. Review, discuss and possibly approve Resolution Number 1878: A Resolution Preliminarily Approving the Report for Collection of Recreation Standby and Service Charges per parcel of \$830 with beach privileges and \$705 without beach privileges, Fiscal Year 2020-2021 and setting the public hearing date for Wednesday, May 27, 2020 at 6 p.m. (Requesting Staff Member: Director of Finance Paul Navazio) – **pages 48 - 57**
4. Review, discuss and authorize Form 4404LGF as the IVGID 2020-21 “TENTATIVE” Budget for filing with the Nevada Department of Taxation by April 15, 2020, as required by Nevada Revised Statutes 354.596 (Requesting Staff Member: Director of Finance Paul Navazio) – **pages 58 - 95**
5. Review, discuss and possibly approve the issuance of a written notice of termination, in accordance with the retainer agreement, paragraph 10.3, to the Law Offices of Hutchison & Steffen, PLLC effective April 14, 2020 (Requesting Trustee: Chairman Tim Callicrate) – **pages 96 - 118**

I. APPROVAL OF MINUTES (*for possible action*)

1. Meeting Minutes of March 11, 2020 – **pages 119 - 162**
2. Meeting Minutes of April 1, 2020 – **pages 163 - 231**

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Revision 1

- J. BOARD OF TRUSTEES UPDATE (**NO DISCUSSION OR ACTION**) ON ANY MATTER REGARDING THE DISTRICT AND/OR COMMUNITIES OF CRYSTAL BAY AND INCLINE VILLAGE, NEVADA*
- K. PUBLIC COMMENTS* - Limited to a maximum of three (3) minutes in duration.
- L. REVIEW WITH BOARD OF TRUSTEES, BY THE DISTRICT GENERAL MANAGER, THE LONG RANGE CALENDAR (*for possible action*) – **page 232**
- M. ADJOURNMENT (*for possible action*)

CERTIFICATION OF POSTING OF THIS AGENDA

I hereby certify that on or before Thursday, April 9, 2020 at 9:00 a.m., a copy of this agenda (IVGID Board of Trustees Session of April 14, 2020) was delivered to the post office addressed to the people who have requested to receive copies of IVGID's agendas; copies were either faxed or e-mailed to those people who have requested; and a copy was posted at the following seven locations within Incline Village/Crystal Bay in accordance with NRS 241.020:

1. IVGID Anne (Administrative)
2. Incline Village Post
3. Crystal Bay Post
4. Raley's Shopping
5. Incline Village
6. IVGID's Recreation
7. The Chateau at

SUSPENDED – STATE OF NEVADA EXECUTIVE DEPARTMENT, DECLARATION OF EMERGENCY, DIRECTIVE 006 (SECTION 3)

Vorderbruggen Building
Offices)
Office
Office
Center
Branch of Washoe County Library
Center
Incline Village

/s/ Susan A. Herron, CMC

Susan A. Herron, CMC

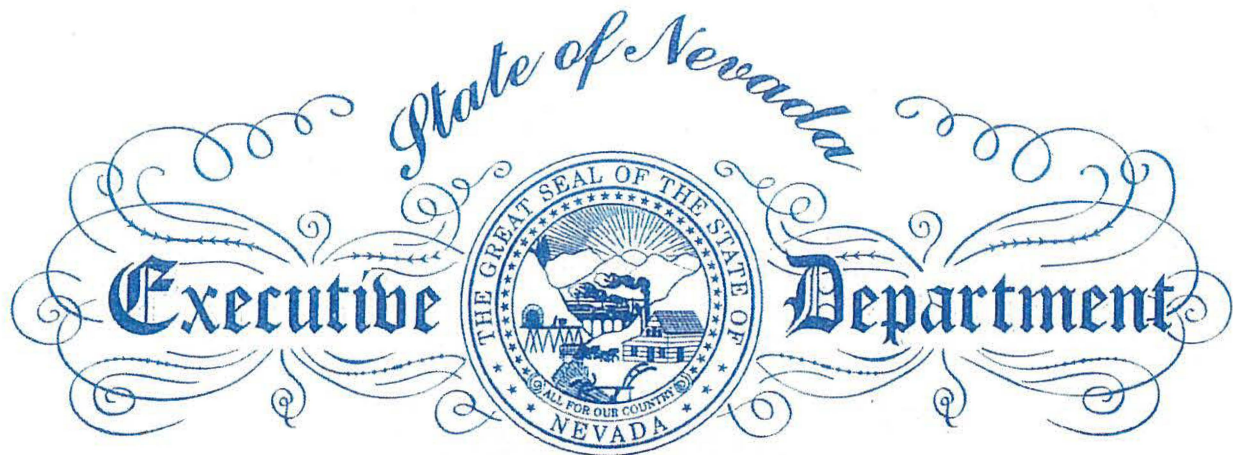
District Clerk (e-mail: sah@ivgid.org/phone # 775-832-1207)

Board of Trustees: Tim Callicrate - Chairman, Matthew Dent, Sara Schmitz, Kendra Wong, and Peter Morris.

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

IVGID'S agenda packets are now available at IVGID's web site, www.yourtahoeplace.com; go to "Board Meetings and Agendas". A hard copy of the complete agenda packet is also available at IVGID's Administrative Offices located at 893 Southwood Boulevard, Incline Village, Nevada, 89451.

*NRS 241.020(2) and (10): 2. Except in an emergency, written notice of all meetings must be given at least 3 working days before the meeting ...10. As used in this section, "emergency" means an unforeseen circumstance which requires immediate action and includes, but is not limited to: (a) Disasters caused by fire, flood, earthquake or other natural causes; or (b) Any impairment of the health and safety of the public.



DECLARATION OF EMERGENCY
DIRECTIVE 006

WHEREAS, on March 12, 2020, I, Steve Sisolak, Governor of the State of Nevada issued a Declaration of Emergency to facilitate the State's response to the COVID-19 pandemic; and

WHEREAS, on March 13, 2020, Donald J. Trump, President of the United States declared a nationwide emergency pursuant to Sec. 501(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121-5207 (the "Stafford Act"); and

WHEREAS, the World Health Organization and United States Centers for Disease Control and Prevention have advised that there is a correlation between density of persons gathered and the risk of transmission of COVID-19; and

WHEREAS, close proximity to other persons is currently contraindicated by public health and medical best practices to combat COVID-19; and

WHEREAS, recreational social gatherings unnecessarily extend periods of interpersonal contact and promulgates spread of COVID-19; and

WHEREAS, certain non-essential activities result in the congregation of persons for extended periods of time; and

WHEREAS, NRS 414.060 outlines powers and duties delegated to the Governor during the existence of a state of emergency, including without limitation, directing and controlling the conduct of the general public and the movement and cessation of movement of pedestrians and vehicular traffic during, before and after exercises or an emergency or disaster, public meetings or gatherings; and

WHEREAS, Nevada Revised Statutes 414.060(3) states: "In performing his or her duties under this chapter and to effect its policy and purpose, the Governor may: (a) Make, amend and rescind the necessary orders and regulations to carry out the provisions of this chapter within the limits of the authority conferred upon the Governor in this chapter, with due consideration of the plans provided by the Federal Government;" and

WHEREAS, NRS 414.070 outlines additional powers delegated to the Governor during the existence of a state of emergency, including without limitation, enforcing all laws and regulations relating to emergency management and assuming direct operational control of any or all forces, including, without limitation, volunteers and auxiliary staff for emergency management in the State; providing

for and compelling the evacuation of all or part of the population from any stricken or threatened area or areas within the State and to take such steps as are necessary for the receipt and care of those persons; and performing and exercising such other functions, powers and duties as are necessary to promote and secure the safety and protection of the civilian population; and

WHEREAS, on March 15, 2020, I directed executive branch agencies to close state offices to the public and to wind down in-person public services and to the extent practicable, transition services to online and over-the-phone services; and

WHEREAS, Nevada Revised Statutes 241.010 provides that “[i]n enacting this chapter, the Legislature finds and declares that all public bodies exist to aid in the conduct of the people’s business. It is the intent of the law that their actions be taken openly and that their deliberations be conducted openly;” and

WHEREAS, the continued operations of state public bodies are essential to the State of Nevada; and

WHEREAS, on March 20, 2020, I issued Declaration of Emergency Directive 003 that ordered the closure of all Non-Essential Businesses by 11:59 p.m. on March 20, 2020, authorized criminal and civil penalties for Non-Essential Businesses that continued to operate in violation of that order, and authorized all local, city, and county governments along with the Office of the Attorney General to enforce that Directive; and

WHEREAS, immediate enforcement of Declaration of Emergency Directive 003 is vital to protect the Health and Safety of the public:

NOW THEREFORE, by the authority vested in me as Governor by the Constitution and the laws of the State of Nevada and the United States, and pursuant to the March 12, 2020, Emergency Declaration,

IT IS HEREBY ORDERED THAT:

- SECTION 1: The requirement contained in NRS 241.023(1)(b) that there be a physical location designated for meetings of public bodies where members of the public are permitted to attend and participate is suspended.
- SECTION 2: If a public body holds a meeting by means of teleconference or videoconference and a physical location where members of the public can attend is not provided, the public body must provide a means for the public to provide public comment, and post that means on the public notice agenda posted in accordance with NRS 241.020. Public comment options may include, without limitation, telephonic or email comment.
- SECTION 3: The requirements contained in NRS 241.020(4)(a) that public notice agendas be posted at physical locations within the State of Nevada are suspended.
- SECTION 4: Public bodies must still comply with the requirements in NRS 241.020(4)(b) and NRS 241.020(4)(c) that public notice agendas be posted to Nevada’s notice website and the public body’s website, if it maintains one along with providing a copy to any person who has requested one via U.S. mail or electronic mail.
- SECTION 5: The requirement contained in NRS 241.020(3)(c) that physical locations be available for the public to receive supporting material for public meetings is suspended.

SECTION 6: If a public body holds a meeting and does not provide a physical location where supporting material is available to the public, the public body must provide on its public notice agenda the name and contact information for the person designated by the public body from whom a member of the public may request supporting material electronically and must post supporting material to the public body's website, if it maintains one.

SECTION 7: A public body that holds a meeting pursuant to this Executive Order must ensure that any party entitled to or required to appear before it shall be able to do so through remote means and fully able to participate in the agenda items that pertain to them.

SECTION 8: The requirements of NRS 241.033, NRS 241.034 are suspended for any actions necessary to enforce Declaration of Emergency Directive 003 against entities, owners, representatives, agents, or employees that continue to operate or assist in operation after 11:59 p.m. on March 2020. Public bodies enforcing Declaration of Emergency Directive 003 against entities, owners, agents, or employees pursuant to this section shall provide the responding party with at least 24 hours notice of a meeting to take action; and

SECTION 9: Public bodies may enforce Declaration of Emergency Directive 003 at an emergency meeting as authorized by NRS 241.020(11) and may make use of all other amendments to NRS chapter 241 included in this Executive Order.

SECTION 10: This Directive shall remain in effect until April 16, 2020, unless renewed by a subsequent Directive promulgated pursuant to the March 12, 2020 Declaration of Emergency to facilitate the State's response to the COVID-19 pandemic.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Nevada to be affixed at the State Capitol in Carson City, this 22nd day of March, in the year two thousand twenty.



Governor of the State of Nevada

Barbara K. Cegavske

Secretary of State

Scott K. Rubin

Deputy Secretary of State

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winquest
Interim District General Manager

FROM: Susan A. Herron, CMC
District Clerk

SUBJECT: PUBLIC HEARING (TIME CERTAIN FOR 6 P.M.) – Proposed schedule of services for Sewer Ordinance #2 “An Ordinance Establishing Rates, Rules and Regulations for Sewer Service by the Incline Village General Improvement District” and Proposed schedule of services for Water Ordinance #4 “An Ordinance Establishing Rates, Rules and Regulations for Water Service by the Incline Village General Improvement District” and Proposed Fee Schedule

DATE: April 1, 2020

On April 14, 2020, the Board of Trustees will hold a public hearing on the above subject matter. Following is an outline for the public hearing:

1. Chairman Callicrate will ask the Board for a motion and a second to officially open the public hearing.
2. Chairman Callicrate will call for the question and the Board will take a vote to open the public hearing.
3. Once the public hearing is open, Chairman Callicrate will state that the District is holding a public hearing as required by the Nevada Revised Statutes.
4. Chairman Callicrate will then ask Director of Public Works Joe Pomroy, for the record, if the District complied with the required notice.
5. Following confirmation, Director of Public Works Joe Pomroy will then provide an overview of the changes to the above subject matter.
6. Chairman Callicrate will state the comments made during the public hearing are governed by the Chair and Chairman Callicrate should state the rules he wants to use.
7. Chairman Callicrate will then ask for public comment on the ordinances and fee schedules as included in the Board packet.
8. The duration of the public hearing is at the Board's discretion.
9. After all public comments have been made, a Board member will need to make a motion to close the public hearing, which will need a second, and then Chairman Callicrate will call for the question and a vote will be taken on this motion. Chairman Callicrate will then move onto the remaining agenda items.

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winquest
Interim General Manager

FROM: Joseph J. Pomroy, P.E.
Director of Public Works

SUBJECT: Conduct the Public Hearing for the Proposed Amendments to Sewer Ordinance #2 “An Ordinance Establishing Rates, Rules and Regulations for Sewer Service by the Incline Village General Improvement District” and Water Ordinance #4 “An Ordinance Establishing Rates, Rules and Regulations for Water Service by the Incline Village General Improvement District” and the Schedule of Service Charges and Fee Schedule.

DATE: March 27, 2020

I. RECOMMENDATION

That the Board of Trustees conduct the Public Hearing for the Proposed Amendments to Sewer Ordinance #2 “An Ordinance Establishing Rates, Rules and Regulations for Sewer Service by the Incline Village General Improvement District” and Water Ordinance #4 “An Ordinance Establishing Rates, Rules and Regulations for Water Service by the Incline Village General Improvement District” and the Schedule of Service Charges and Fee Schedule.

II. DISTRICT STRATEGIC PLAN

The Utility Rate Study supports Long Range Principle #2, Finance; The District will ensure fiscal responsibility and sustainability of service capacities by maintaining effective financial policies for operating budgets, fund balances, capital improvement and debt management. Under Objectives for 2018-20, it specifically states *“Prepare a five-year projection of financial results for each audited fund for operations, capital improvement and debt service as a part of budget deliberations.”*

III. FINANCIAL IMPACT AND BUDGET

The Public Works Department conducts an annual rate study to calculate the appropriate rates for water and sewer service to meet revenue and expense demands. The rate study includes a five-year projection for revenues and expenses with an eye out for large capital projects outside of the five-year window. This annual effort insures rates are meeting the needs of the District and that adjustments can be made efficiently and effectively. The rate study is based on utility management strategies, industry best practices and District historical rates.

The 2020 Utility Rate study recommendation is to increase water rates by 4.2% and sewer rates by 6.4% for a total utility rate increase of 5.5% for the average residential customer. The utility rates are scheduled for an average 4.2% increase for the next five years to meet the projected revenue requirements for the utility fund.

In 2019-20, total water and sewer revenues for Public Works are budgeted to be \$12.29 million and are proposed to be \$13.03 million in 2020-21 under this rate study. The total revenue increases by 6.0% which is greater than the 5.5% rate increase. The average 5.5% rate increase is contributing total new revenues of \$595,000, \$315,000 in new operating revenue and \$280,000 in new capital revenue. The utility fund has other revenue sources that are increasing including TWSA revenue, backflow revenue and work order and snow removal work order charges that totals \$145,000. There is a total increase in revenues of \$740,000 from all resources flow.

The statistics for the rate increase for 2020 compared to 2019 are as follows.

- Overall Water and Sewer Rate Increase – 5.5%
- Water Rate Increase 4.2%
 - Water Operations Rate Increase – 4.1%
 - Water Capital Rate Increase – 4.3%
- Sewer Rate Increase 6.4%
 - Sewer Operations Rate Increase – 6.2%
 - Sewer Capital Rate Increase – 6.5%
- Water and Sewer Operations Rate Increase – 5.3%
- Water and Sewer Capital Rate Increase – 5.8%

Calculating from the proposed 2020 rates back to 2015, five years, the residential family median user would see an average rate increase of 3.6% per year. The capital rate has increased by 2.9% and the operating rate has increased by 4.7% per year for that 5 year period.

Proposed Utility Rates

The following table compares the current and the proposed residential water rate. The rates below include a \$1.05 total defensible space charge to each user. The base rate for water is increasing by \$1.31 per month. The water consumption and tier rates have been thoroughly analyzed in previous years to confirm the cost basis for those rate components per thousand gallons of usage. Water consumption is the variable rate component. Public Service Recreation accounts are not subject to the excess water charges, tier rates 1 & 2, as defined in the Water Ordinance section 2.40.

Residential Water Rate Comparison

Current 2019 Rate Component	2019 Rate	Proposed 2020 Rate Component	2020 Rate	Change
Base Rate	\$ 11.97	Base Rate	\$ 12.45	\$0.48
Capital Improvements	\$ 15.10	Capital Improvements	\$ 15.75	\$0.65
Customer Account Fee	\$ 3.97	Customer Account Fee	\$ 4.15	\$0.18
Defensible Space	\$ 1.05	Defensible Space	\$ 1.05	-
Monthly Base Water Bill	\$ 32.09	Monthly Base Water Bill	\$ 33.40	\$1.31
Consumption	\$ 1.55	Consumption	\$ 1.62	\$0.07
1st Tier	\$ 0.93	1st Tier	\$ 1.00	\$0.07
2nd Tier	\$ 1.34	2nd Tier	\$ 1.40	\$0.06

The following table compares the current and the proposed residential sewer rate. The base rate for sewer is increasing by \$3.69 per month and the sewer use rate

is increasing by \$0.15 per thousand gallons of water use. The sewer use is capped in the summer months for residential customers

Residential Sewer Rate Comparison

Current 2019 Rate Component	2019 Rate	Proposed 2020 Rate Component	2020 Rate	Change
Base Rate	\$ 19.54	Base Rate	\$ 21.00	\$ 1.46
Capital Improvements	\$ 31.45	Capital Improvements	\$ 33.50	\$ 2.05
Customer Account Fee	\$ 3.97	Customer Account Fee	\$ 4.15	\$ 0.18
Monthly Sewer Bill	\$ 54.96	Monthly Sewer Bill	\$ 58.65	\$ 3.69
Sewer Use Rate	\$ 3.20	Sewer Use Rate	\$ 3.35	\$ 0.15

Staff has investigated the equity of the water rate structure for the various customer classes utilizing financial, flow data and demand factors from 2019. Equity is calculated by determining the proportion of fixed and variable demand on the water system (size of water meter, water consumption) by each customer class compared to the fixed and variable water revenue collected from each customer class. The current rate structure exhibits equity amongst the major user classes. The two tables below show the statistics for this analysis. The first table, Variable Water Revenue versus Water Use compares how much water consumption, Tier 1 and Tier 2 revenue was received from each customer class as a percent of the total compared to the percent of water measured through the water meter for 2019.

Variable Water Revenue versus Water Use

Customer Class	Variable Water Revenue (Consumption, Tier 1 & 2)	Water Use
Commercial	13.6%	13.1%
Residential	72.6%	70.6%
IVGID Facilities	13.8%	16.3%

The following table presents the percent of revenue received for the same three customer classes for water consumption, Tier 1 and Tier 2 water use revenue. The Public Service Recreation accounts are not charged Tier 1 and Tier 2 charges but are charged the base water consumption charge for all water used. These customers include schools, and IVGID facilities such as snowmaking, golf irrigation and parks irrigation. It does not include in building use such as the Child Ski Center, the Recreation Center and the Water Resource Recovery Facility. Tier 1 revenue in 2019 was \$176,000 and Tier 2 revenue was \$71,000.

Water Consumption, Tier 1 & Tier 2 Revenue% - 2019

Customer Class	Water Consumption	Tier 1	Tier 2
Commercial	13.1%	18.7%	11.0%
Residential	70.6%	80.9%	89.0%
IVGID Facilities	16.3%	0.4%	0.0%

The second table, below, Fixed Water Revenue versus Fixed Water Demand, compares the fixed revenue received from each customer class as percent of the total compared to the demand that customer class places on the water system as determined by the meter size. This is called equivalent dwelling units. The analysis shows that there is equity in the rate structure for variable and fixed rate components of the water rates. The exception is in the tier rates which is exempted by Ordinance and the Tier 1 and Tier 2 revenue amount of \$247,000 total dollar amount is low compared to the total water revenue of \$5.6 million.

Fixed Water Revenue versus Fixed Water Demand

Customer Class	Fixed Water Revenue (Revenue, Base, CIP, Admin, Def Space)	Fixed Water Demand (equivalent dwelling units)
Commercial	9.2%	9.5%
Residential	86.7%	86.2%
IVGID Facilities	4.1%	4.3%

Schedule

The schedule for schedule of service charges adoption is proposed as follows.

Utility Rate Study	Date
Set Date for Public Hearing to Adopt New Utility Rates	February 26, 2020
Notice of Public Hearing Published in Newspaper	March 13, 2020
Courtesy Ad for Public Hearing Published in Newspaper	April 10, 2020
Conduct Public Hearing and Adopt New Utility Rates	April 14, 2020
New Utility Rates become effective pending approval	May 19, 2020

IV. BACKGROUND

At the February 26, 2020 District Board of Trustees Meeting, Staff presented the Utility Rate Study that included the next five years of operating and capital expenses and the projected revenue needs to provide sufficient and stable revenue during that time period.

The Utility Rate Study from the February 26, 2020 Board of Trustees Meeting is posted on the IVGID website and the reader can review that document and listen to the presentation on Livestream. At the February 26, 2020 Board of Trustees meeting, the Board authorized April 14, 2019 as the date for the public hearing and directed staff to publish the Ordinance 2 and Ordinance 4 amendments and prepare the new utility rates for viewing by the public prior to the Hearing. The deadlines for posting and advertising were met in accordance with the NRS.

The final version of the Sewer Schedule of Service Charges, Water Schedule of Service Charges and Fee Schedule follows this memo. Exhibit A, B and C have been removed from Ordinance 2 and Ordinance 4 and have been placed into a single Schedule of Service Charges and Fee Schedule for water rates, sewer rates, connection fees and miscellaneous fees and charges. The Ordinances are being prepared in this manner so they can be more readily adopted into the IVGID Code at a future date.

IV. ALTERNATIVES

The Board shall conduct the Public Hearing. No alternative is presented.

V. COMMENTS

The applicable Nevada Revised Statute is as follows.

NRS 318.199 Rates, tolls and charges for sewerage or water services or products: Schedules; public hearings; adoption of resolution; action to set aside resolution.

1. The board of trustees of any district organized or reorganized under this chapter and authorized to furnish sanitary sewer facilities pursuant to NRS 318.140 or to furnish water facilities pursuant to NRS 318.144 shall establish schedules showing all rates, tolls or charges for services performed or products furnished.
2. Whenever the board of trustees proposes to change any individual or joint rate, toll, charge, service or product, or any individual or joint practice which will affect any rate, toll, charge, service or product, the board of trustees shall hold public hearings after 30 days' notice has been given to all users of the service or product within the district.
3. Notice shall be given by publication in a newspaper published in the county and if no such newspaper is published, then a newspaper published in this state which has a general circulation in the county. The notice shall not be placed in that portion of the newspaper where legal notices and classified advertisements appear and the type used in the headline of such notice shall not be smaller than 18 point.
4. All users of the service or product shall be afforded a reasonable opportunity to submit data, views or arguments orally or in writing at the place, date and time specified in the notice, or at any subsequent place or time to which the hearing may be adjourned.
5. If, after public hearing, the board of trustees determines that the proposed action is required, the board shall adopt a resolution establishing the new or changed rates, tolls, charges, services to be performed or products to be furnished.

6. Within 30 days immediately following the effective date of such resolution, any person who has protested it may commence an action in any court of competent jurisdiction to set aside the resolution.
7. Within 30 days after the effective date of the resolution, the secretary of the district shall file a copy of the new schedules in the office of the district. The schedules shall be made available to any user of the service or product.

(Added to NRS by 1977, 541)

VI. BUSINESS IMPACT

This item is a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, but it does not impose a direct and significant economic burden on a business, or directly restrict the formation, operation or expansion of a business, and therefore does not require a Business Impact Statement.



SEWER - SCHEDULE OF SERVICE CHARGES

As Proposed for Adoption on 4/14/20, for Rates Effective 5/19/20

Residential & 3/4" Service Rates (CAF = 1)	
Sewer Base x CAF x Users	\$21.00
Sewer Capital Improv x CAF x Users	\$33.50
Sewer Admin Fee per Account	\$4.15
3/4" Base Monthly Invoice	\$58.65
Sewer Use*	\$3.35/1000 gallons
3/4" Sewer Connection**	\$3,410
3/4" Sewer Retroactive Capital Improv**	\$2,050

1" Service Rates (CAF = 1.67)	
Sewer Base x CAF x Users	\$35.07
Sewer Capital Improv x CAF x Users	\$55.95
Sewer Admin Fee per Account	\$4.15
1" Base Monthly Invoice	\$95.17
Sewer Use*	\$3.35/1000 gallons
1" Sewer Connection**	\$5,690
1" Sewer Retroactive Capital Improv**	\$3,420

1.5" Service Rates (CAF = 3.33)	
Sewer Base x CAF x Users	\$69.93
Sewer Capital Improv x CAF x Users	\$111.56
Sewer Admin Fee per Account	\$4.15
1.5" Base Monthly Invoice	\$185.64
Sewer Use*	\$3.35/1000 gallons
1.5" Sewer Connection**	\$11,350
1.5" Sewer Retroactive Capital Improv**	\$6,820

2" Service Rates (CAF = 5.33)	
Sewer Base x CAF x Users	\$111.93
Sewer Capital Improv x CAF x Users	\$178.56
Sewer Admin Fee per Account	\$4.15
2" Base Monthly Invoice	\$294.64
Sewer Use*	\$3.35/1000 gallons
2" Sewer Connection**	\$18,160
2" Sewer Retroactive Capital Improv**	\$10,910

3" Service Rates (CAF = 10)	
Sewer Base x CAF x Users	\$210.00
Sewer Capital Improv x CAF x Users	\$335.00
Sewer Admin Fee per Account	\$4.15
3" Base Monthly Invoice	\$549.15
Sewer Use*	\$3.35/1000 gallons
3" Sewer Connection**	\$34,080
3" Sewer Retroactive Capital Improv**	\$20,470

4" Service Rates (CAF = 16.67)	
Sewer Base x CAF x Users	\$350.07
Sewer Capital Improv x CAF x Users	\$558.45
Sewer Admin Fee per Account	\$4.15
4" Base Monthly Invoice	\$912.67
Sewer Use*	\$3.35/1000 gallons
4" Sewer Connection**	\$56,810
4" Sewer Retroactive Capital Improv**	\$34,120

6" Service Rates (CAF = 33.33)	
Sewer Base x CAF x Users	\$699.93
Sewer Capital Improv x CAF x Users	\$1,116.56
Sewer Admin Fee per Account	\$4.15
6" Base Monthly Invoice	\$1,820.64
Sewer Use*	\$3.35/1000 gallons
6" Sewer Connection**	\$113,580
6" Sewer Retroactive Capital Improv**	\$68,220

8" Service Rates (CAF = 53.33)	
Sewer Base x CAF x Users	\$1,119.93
Sewer Capital Improv x CAF x Users	\$1,786.56
Sewer Admin Fee per Account	\$4.15
8" Base Monthly Invoice	\$2,910.64
Sewer Use*	\$3.35/1000 gallons
8" Sewer Connection**	\$181,730
8" Sewer Retroactive Capital Improv**	\$109,150

10" Service Rates (CAF = 76.65)	
Sewer Base x CAF x Users	\$1,609.65
Sewer Capital Improv x CAF x Users	\$2,567.78
Sewer Admin Fee per Account	\$4.15
10" Base Monthly Invoice	\$4,181.58
Sewer Use*	\$3.35/1000 gallons
10" Sewer Connection**	\$261,200
10" Sewer Retroactive Capital Improv**	\$156,880

* **Residential Variable Sewer Costs:** Variable sewer costs for residential customers are based on monthly water use as follows: During the non-irrigation months (December through April), the variable sewer cost is calculated using the metered water use value. During irrigation billing months (May through November), the variable sewer cost shall be the lesser of the metered water use value or the non-irrigation months' average metered water use. The non-irrigation months' average shall not be set at a value less than 3,000 gallons.

** Sewer Connection and Sewer Retroactive Capital Improvement Charges are based on water service size for billing purposes.



WATER - SCHEDULE OF SERVICE CHARGES

As Proposed for Adoption on 4/14/20, for Rates Effective 5/19/20

Residential & 3/4" Service Rates (CAF = 1)	
Water Base x CAF x Users	\$12.45
Water Capital Improv x CAF x Users	\$15.75
Water Admin Fee per Account	\$4.15
Defensible Space x Users	\$1.05
3/4" Base Monthly Invoice	\$33.40
Water Use	\$1.62/1000 gallons
Water Tier 1 - Use above 20,000 gal	\$1.00/1000 gallons
Water Tier 2 - Use above 60,000 gal	\$1.40/1000 gallons
3/4" Water Connection	\$1,700
3/4" Water Retroactive Capital Improv	\$1,940

1" Service Rates (CAF = 1.67)	
Water Base x CAF x Users	\$20.79
Water Capital Improv x CAF x Users	\$26.30
Water Admin Fee per Account	\$4.15
Defensible Space x Users	\$1.05
1" Base Monthly Invoice	\$52.29
Water Use	\$1.62/1000 gallons
Water Tier 1 - Use above 33,400 gal	\$1.00/1000 gallons
Water Tier 2 - Use above 100,200 gal	\$1.40/1000 gallons
1" Water Connection	\$2,840
1" Water Retroactive Capital Improv	\$3,240

1.5" Service Rates (CAF = 3.33)	
Water Base x CAF x Users	\$41.46
Water Capital Improv x CAF x Users	\$52.45
Water Admin Fee per Account	\$4.15
Defensible Space x Users	\$1.05
1.5" Base Monthly Invoice	\$99.11
Water Use	\$1.62/1000 gallons
Water Tier 1 - Use above 66,600 gal	\$1.00/1000 gallons
Water Tier 2 - Use above 199,800 gal	\$1.40/1000 gallons
1.5" Water Connection	\$5,660
1.5" Water Retroactive Capital Improv	\$6,460

2" Service Rates (CAF = 5.33)	
Water Base x CAF x Users	\$66.36
Water Capital Improv x CAF x Users	\$83.95
Water Admin Fee per Account	\$4.15
Defensible Space x Users	\$1.05
2" Base Monthly Invoice	\$155.51
Water Use	\$1.62/1000 gallons
Water Tier 1 - Use above 106,600 gal	\$1.00/1000 gallons
Water Tier 2 - Use above 319,800 gal	\$1.40/1000 gallons
2" Water Connection	\$9,050
2" Water Retroactive Capital Improv	\$10,350

3" Service Rates (CAF = 10)	
Water Base x CAF x Users	\$124.50
Water Capital Improv x CAF x Users	\$157.50
Water Admin Fee per Account	\$4.15
Defensible Space x Users	\$1.05
3" Base Monthly Invoice	\$287.20
Water Use	\$1.62/1000 gallons
Water Tier 1 - Use above 200,000 gal	\$1.00/1000 gallons
Water Tier 2 - Use above 600,000 gal	\$1.40/1000 gallons
3" Water Connection	\$16,990
3" Water Retroactive Capital Improv	\$19,410

4" Service Rates (CAF = 16.67)	
Water Base x CAF x Users	\$207.54
Water Capital Improv x CAF x Users	\$262.55
Water Admin Fee per Account	\$4.15
Defensible Space x Users	\$1.05
4" Base Monthly Invoice	\$475.29
Water Use	\$1.62/1000 gallons
Water Tier 1 - Use above 333,400 gal	\$1.00/1000 gallons
Water Tier 2 - Use above 1,000,200 gal	\$1.40/1000 gallons
4" Water Connection	\$28,310
4" Water Retroactive Capital Improv	\$32,360

6" Service Rates (CAF = 33.33)	
Water Base x CAF x Users	\$414.96
Water Capital Improv x CAF x Users	\$524.95
Water Admin Fee per Account	\$4.15
Defensible Space x Users	\$1.05
6" Base Monthly Invoice	\$945.11
Water Use	\$1.62/1000 gallons
Water Tier 1 - Use above 666,600 gal	\$1.00/1000 gallons
Water Tier 2 - Use above 1,999,800 gal	\$1.40/1000 gallons
6" Water Connection	\$56,610
6" Water Retroactive Capital Improv	\$64,700

8" Service Rates (CAF = 53.33)	
Water Base x CAF x Users	\$663.96
Water Capital Improv x CAF x Users	\$839.95
Water Admin Fee per Account	\$4.15
Defensible Space x Users	\$1.05
8" Base Monthly Invoice	\$1,509.11
Water Use	\$1.62/1000 gallons
Water Tier 1 - Use above 1,066,600 gal	\$1.00/1000 gallons
Water Tier 2 - Use above 3,199,800 gal	\$1.40/1000 gallons
8" Water Connection	\$90,580
8" Water Retroactive Capital Improv	\$103,520

10" Service Rates (CAF = 76.65)	
Water Base x CAF x Users	\$954.29
Water Capital Improv x CAF x Users	\$1,207.24
Water Admin Fee per Account	\$4.15
Defensible Space x Users	\$1.05
10" Base Monthly Invoice	\$2,166.73
Water Use	\$1.62/1000 gallons
Water Tier 1 - Use above 1,533,000 gal	\$1.00/1000 gallons
Water Tier 2 - Use above 4,599,000 gal	\$1.40/1000 gallons
10" Water Connection	\$130,190
10" Water Retroactive Capital Improv	\$148,790



PUBLIC WORKS DEPARTMENT
 1220 SWEETWATER ROAD . INCLINE VILLAGE NV 89451
 PH: (775) 832-1203 . FAX: (775) 832-1260 . EMAIL: PW@IVGID.ORG
 WWW.IVGIDPUBLICWORKS.ORG

FEE SCHEDULE

As Proposed for Adoption on 4/14/20, for Rates Effective 5/19/20

Fee Schedule	
Sewage Drop-off at Treatment Plant	\$75/per 1,000 gal
Backflow Inspections - up to 1 hr labor	\$65/per device
	Repairs at cost
Plan Check Fees	\$90/hour
Inspection Fees	\$90/hour
Upgraded Meter, Register or Transponder	Billed at cost
Service Calls - 1/2 hour minimum with equipment billed at cost	\$40/per half hour
Tampering with Equipment	\$100 minimum
	Repairs at cost
Water Waste Penalty	\$100
Hydrant Meter Rental Charges	\$1,000/deposit
	\$40/month
1.5" Meter Rental Charges	\$100/deposit
	\$20/month
3/4" Meter Rental Charges	\$100/deposit
	\$15/month
Bulk Water for Construction	\$1.62/per 1,000 gal
Violation of air-gap on truck fill-up	\$500
Returned Check Fee	\$25
Posting Service Charge	\$20
Mainline Tapping, if performed by IVGID	Cost plus 15%



SEWER - SCHEDULE OF SERVICE CHARGES

As Adopted on 4/10/19, Resolution No. 1868

Residential & 3/4" Service Rates (CAF = 1)	
Sewer Base x CAF x Users	\$19.54
Sewer Capital Improv x CAF x Users	\$31.45
Sewer Admin Fee per Account	\$3.97
3/4" Base Monthly Invoice	\$54.96
Sewer Use*	\$3.20/1000 gallons
3/4" Sewer Connection**	\$3,230
3/4" Sewer Retroactive Capital Improv**	\$1,940

1" Service Rates (CAF = 1.67)	
Sewer Base x CAF x Users	\$32.63
Sewer Capital Improv x CAF x Users	\$52.52
Sewer Admin Fee per Account	\$3.97
1" Base Monthly Invoice	\$89.12
Sewer Use*	\$3.20/1000 gallons
1" Sewer Connection**	\$5,400
1" Sewer Retroactive Capital Improv**	\$3,240

1.5" Service Rates (CAF = 3.33)	
Sewer Base x CAF x Users	\$65.07
Sewer Capital Improv x CAF x Users	\$104.73
Sewer Admin Fee per Account	\$3.97
1.5" Base Monthly Invoice	\$173.77
Sewer Use*	\$3.20/1000 gallons
1.5" Sewer Connection**	\$10,770
1.5" Sewer Retroactive Capital Improv**	\$6,470

2" Service Rates (CAF = 5.33)	
Sewer Base x CAF x Users	\$104.15
Sewer Capital Improv x CAF x Users	\$167.63
Sewer Admin Fee per Account	\$3.97
2" Base Monthly Invoice	\$275.75
Sewer Use*	\$3.20/1000 gallons
2" Sewer Connection**	\$17,240
2" Sewer Retroactive Capital Improv**	\$10,350

3" Service Rates (CAF = 10)	
Sewer Base x CAF x Users	\$195.40
Sewer Capital Improv x CAF x Users	\$314.50
Sewer Admin Fee per Account	\$3.97
3" Base Monthly Invoice	\$513.87
Sewer Use*	\$3.20/1000 gallons
3" Sewer Connection**	\$32,340
3" Sewer Retroactive Capital Improv**	\$19,430

4" Service Rates (CAF = 16.67)	
Sewer Base x CAF x Users	\$325.73
Sewer Capital Improv x CAF x Users	\$524.27
Sewer Admin Fee per Account	\$3.97
4" Base Monthly Invoice	\$853.97
Sewer Use*	\$3.20/1000 gallons
4" Sewer Connection**	\$53,910
4" Sewer Retroactive Capital Improv**	\$32,380

6" Service Rates (CAF = 33.33)	
Sewer Base x CAF x Users	\$651.27
Sewer Capital Improv x CAF x Users	\$1,048.23
Sewer Admin Fee per Account	\$3.97
6" Base Monthly Invoice	\$1,703.47
Sewer Use*	\$3.20/1000 gallons
6" Sewer Connection**	\$107,790
6" Sewer Retroactive Capital Improv**	\$64,740

8" Service Rates (CAF = 53.33)	
Sewer Base x CAF x Users	\$1,042.07
Sewer Capital Improv x CAF x Users	\$1,677.23
Sewer Admin Fee per Account	\$3.97
8" Base Monthly Invoice	\$2,723.27
Sewer Use*	\$3.20/1000 gallons
8" Sewer Connection**	\$172,470
8" Sewer Retroactive Capital Improv**	\$103,590

10" Service Rates (CAF = 76.67)	
Sewer Base x CAF x Users	\$1,491.74
Sewer Capital Improv x CAF x Users	\$2,410.64
Sewer Admin Fee per Account	\$3.97
10" Base Monthly Invoice	\$3,912.35
Sewer Use*	\$3.20/1000 gallons
10" Sewer Connection**	\$247,890
10" Sewer Retroactive Capital Improv**	\$148,890

2019-20 Rates to be superseded

* **Residential Variable Sewer Costs:** Variable sewer costs for residential customers are based on monthly water use as follows: During the non-irrigation months (December through April), the variable sewer cost is calculated using the metered water use value. During irrigation billing months (May through November), the variable sewer cost shall be the lesser of the metered water use value or the non-irrigation months' average metered water use. The non-irrigation months' average shall not be set at a value less than 3,000 gallons.

** Sewer Connection and Sewer Retroactive Capital Improvement Charges are based on water service size for billing purposes.



WATER - SCHEDULE OF SERVICE CHARGES

As Adopted on 4/10/19, Resolution No. 1868

Residential & 3/4" Service Rates (CAF = 1)	
Water Base x CAF x Users	\$11.97
Water Capital Improv x CAF x Users	\$15.10
Water Admin Fee per Account	\$3.97
Defensible Space x Users	\$1.05
3/4" Base Monthly Invoice	\$32.09
Water Use	\$1.55/1000 gallons
Water Tier 1 - Use above 20,000 gal	\$0.93/1000 gallons
Water Tier 2 - Use above 60,000 gal	\$1.34/1000 gallons
3/4" Water Connection	\$1,610
3/4" Water Retroactive Capital Improv	\$1,840

1" Service Rates (CAF = 1.67)	
Water Base x CAF x Users	\$19.99
Water Capital Improv x CAF x Users	\$25.22
Water Admin Fee per Account	\$3.97
Defensible Space x Users	\$1.05
1" Base Monthly Invoice	\$50.23
Water Use	\$1.55/1000 gallons
Water Tier 1 - Use above 33,400 gal	\$0.93/1000 gallons
Water Tier 2 - Use above 100,200 gal	\$1.34/1000 gallons
1" Water Connection	\$2,680
1" Water Retroactive Capital Improv	\$3,070

1.5" Service Rates (CAF = 3.33)	
Water Base x CAF x Users	\$39.86
Water Capital Improv x CAF x Users	\$50.28
Water Admin Fee per Account	\$3.97
Defensible Space x Users	\$1.05
1.5" Base Monthly Invoice	\$95.16
Water Use	\$1.55/1000 gallons
Water Tier 1 - Use above 66,600 gal	\$0.93/1000 gallons
Water Tier 2 - Use above 199,800 gal	\$1.34/1000 gallons
1.5" Water Connection	\$5,350
1.5" Water Retroactive Capital Improv	\$6,120

2" Service Rates (CAF = 5.33)	
Water Base x CAF x Users	\$63.80
Water Capital Improv x CAF x Users	\$80.48
Water Admin Fee per Account	\$3.97
Defensible Space x Users	\$1.05
2" Base Monthly Invoice	\$149.30
Water Use	\$1.55/1000 gallons
Water Tier 1 - Use above 106,600 gal	\$0.93/1000 gallons
Water Tier 2 - Use above 319,800 gal	\$1.34/1000 gallons
2" Water Connection	\$8,560
2" Water Retroactive Capital Improv	\$9,790

3" Service Rates (CAF = 10)	
Water Base x CAF x Users	\$119.70
Water Capital Improv x CAF x Users	\$151.00
Water Admin Fee per Account	\$3.97
Defensible Space x Users	\$1.05
3" Base Monthly Invoice	\$275.72
Water Use	\$1.55/1000 gallons
Water Tier 1 - Use above 200,000 gal	\$0.93/1000 gallons
Water Tier 2 - Use above 600,000 gal	\$1.34/1000 gallons
3" Water Connection	\$16,070
3" Water Retroactive Capital Improv	\$18,380

4" Service Rates (CAF = 16.67)	
Water Base x CAF x Users	\$199.54
Water Capital Improv x CAF x Users	\$251.72
Water Admin Fee per Account	\$3.97
Defensible Space x Users	\$1.05
4" Base Monthly Invoice	\$456.28
Water Use	\$1.55/1000 gallons
Water Tier 1 - Use above 333,400 gal	\$0.93/1000 gallons
Water Tier 2 - Use above 1,000,200 gal	\$1.34/1000 gallons
4" Water Connection	\$26,780
4" Water Retroactive Capital Improv	\$30,630

6" Service Rates (CAF = 33.33)	
Water Base x CAF x Users	\$398.60
Water Capital Improv x CAF x Users	\$502.80
Water Admin Fee per Account	\$3.97
Defensible Space x Users	\$1.05
6" Base Monthly Invoice	\$907.26
Water Use	\$1.55/1000 gallons
Water Tier 1 - Use above 666,600 gal	\$0.93/1000 gallons
Water Tier 2 - Use above 1,999,800 gal	\$1.34/1000 gallons
6" Water Connection	\$53,540
6" Water Retroactive Capital Improv	\$61,240

8" Service Rates (CAF = 53.33)	
Water Base x CAF x Users	\$638.36
Water Capital Improv x CAF x Users	\$805.28
Water Admin Fee per Account	\$3.97
Defensible Space x Users	\$1.05
8" Base Monthly Invoice	\$1,448.66
Water Use	\$1.55/1000 gallons
Water Tier 1 - Use above 1,066,600 gal	\$0.93/1000 gallons
Water Tier 2 - Use above 3,199,800 gal	\$1.34/1000 gallons
8" Water Connection	\$85,670
8" Water Retroactive Capital Improv	\$97,990

10" Service Rates (CAF = 76.65)	
Water Base x CAF x Users	\$917.50
Water Capital Improv x CAF x Users	\$1,157.42
Water Admin Fee per Account	\$3.97
Defensible Space x Users	\$1.05
10" Base Monthly Invoice	\$2,079.94
Water Use	\$1.55/1000 gallons
Water Tier 1 - Use above 1,533,000 gal	\$0.93/1000 gallons
Water Tier 2 - Use above 4,599,000 gal	\$1.34/1000 gallons
10" Water Connection	\$123,140
10" Water Retroactive Capital Improv	\$140,840

2019-20 Rates to be superseded



FEE SCHEDULE

As Adopted on 4/10/19, Resolution No. 1868

Fee Schedule	
Sewage Drop-off at Treatment Plant	\$75/per 1,000 gal
Backflow Inspections - up to 1 hr labor	\$65/per device
	Repairs at cost
Plan Check Fees	\$90/hour
Inspection Fees	\$90/hour
Upgraded Meter, Register or Transponder	Billed at cost
Service Calls - 1/2 hour minimum with equipment billed at cost	\$40/per half hour
Tampering with Equipment	\$100 minimum
	Repairs at cost
Water Waste Penalty	\$100
Hydrant Meter Rental Charges	\$1,000/deposit \$10/month
1.5" Meter Rental Charges	\$100/deposit \$20/month
3/4" Meter Rental Charges	\$100/deposit \$15/month
Bulk Water for Construction	\$1.55/per 1,000 gal
Violation of air-gallon truck fill up	\$50
Returned Check Fee	\$25
Posting Service Charge	\$20
Mainline Tapping, if performed by IVGID	Cost plus 15%

2019-20
 Rates
 to be
 Superseded

El Dorado County residents aboard cruiseliner test negative for coronavirus

Dawn Hodson
Mountain Democrat

SOUTH LAKE TAHOE, Calif. — Thirteen El Dorado County residents were aboard the Mexico-bound Grand Princess ship where 21 confirmed cases of coronavirus were reported, according to El Dorado County officials.

All were screened/assessed and either finished their 14-day self-quarantine without symptoms or were tested for COVID-19 and those tests were negative.

Officials expect to hear within the next 48 hours if any of the passengers on a different ship that docked in Oakland on Monday are from El Dorado County.

Indications are that at least one Shingle Springs couple may have been on that ship.

As of March 9 the El Dorado County Public Health Department continues to reassure residents that there are no confirmed cases of the disease in El Dorado County.

The California Department of Public Health

reported that statewide as of March 8 there were a total of 114 positive cases and one death in California; 24 cases are from repatriation flights. The other 90 confirmed cases include 37 that are travel related, 23 due to person-to-person contact, 14 community-acquired and 16 from unknown sources.

The person who did pass away from the virus was a 71-year-old resident of Rocklin with underlying health problems.

Health officials believe the patient was exposed to the virus while on the Grand Princess cruise ship that left San Francisco Feb. 11 for a round-trip to Mexico, returning Feb. 21. The man tested positive on March 3 and was subsequently isolated at Kaiser Roseville in "critically ill" condition. He died early the following morning, March 4.

Out of concern of catching the disease, a few schools in neighboring counties have shut down for a few days or longer or have gone through special

disinfection regimens.

Officials at two Sacramento City Unified School District schools announced Friday that someone connected with the schools was potentially exposed to the virus and in self-quarantine, but both schools remain open after being deep-cleaned this past weekend.

In Placer County, some of the county's school districts also increased their cleaning protocol, including cleaning desks, keyboards, door-knobs and even school buses.

The Elk Grove Unified School District announced March 6 that it was closing its schools and called off any student-related activities from March 7 through March 13, even though no student or any of its staff have yet tested positive for COVID-19.

The district, which serves approximately 64,000 students, won't lose any school days because it is moving spring break up to this week instead of when it was originally scheduled in April.

On Saturday Gov. Gavin Newsom issued a

statement warning that more school closures are likely around the state as the virus spreads.

In El Dorado County there are no plans to close any of the area schools according to Dina Gentry, communications director for the El Dorado County Office of Education, because there were no confirmed cases of COVID-19 in the county as of March 9.

As for county facilities, no special precautions are being taken other than providing information about how residents can protect themselves from coronavirus (and seasonal flu) via the county's website.

"We are not sanitizing equipment, parks or buildings," said Carla Hass, the county's director of communications and outreach. "Employees may be taking it upon themselves to do so, but the public health officer has not directed nor suggested such specific steps in relation to county property."

Steps the public can take to reduce the chance of contracting the virus include cleaning and disinfecting

frequently touched objects and surfaces using regular household cleaning spray or wipes. Frequent hand washing, not touching one's hands to one's face and avoiding those who are sick is also advised by the county health department.

El Dorado County recommends community members incorporate the following specific preventive steps into their daily routines:

Wash your hands frequently with soap and water

Avoid touching eyes, nose or mouth with unwashed hands

Cover your mouth and nose with a tissue or your sleeve when you cough or sneeze

Stay home from work and school if you're sick

Clean and disinfect frequently touched objects and surfaces using a regular household cleaning spray or wipes

If you're sick enough to seek medical care and think you have any respiratory illness, including COVID-19, be sure to alert the medical facility before arriving and follow directives to avoid exposing others.

Pink Heavenly and Tahoe-Douglas Rotary Club cancels events

Staff Report

SOUTH LAKE TAHOE, Calif. — Barton Health's Pink Heavenly event has been cancelled in order to protect community members, employees and care providers in the spread of COVID-19.

While no cases have yet been confirmed in South Lake Tahoe, or El Dorado County, this decision is a precautionary measure, according to a Barton press release.

Barton Health's Cancer Support Service will still be fundraising for Pink Heavenly's cause. Funds raised for Pink Heavenly 2020 will be rolled into next year's event.

For more information about Pink Heavenly and to donate, visit pinkheavenly.com.

The Tahoe-Douglas Rotary Club is also canceling its St. Patrick's Day fundraiser due to coronavirus concerns, staying close to club's long history of protecting public health.

The club's annual fundraiser, in its 52nd year, normally attracts 500 to 600 attendees for a full Irish buffet dinner, drinks and events.

For more information, contact McKay at lakeskater@msn.com.

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Publication Date: 03/13/2020

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The Douglas County Board of Commissioners is currently accepting Invocation Interest Forms from religious and civic organizations that are interested in giving an invocation at the start of a regular Board meeting. If your organization is interested in, or you would like more information on, invocations please visit www.douglascountynv.gov or contact the County Manager's Office by emailing apoole@douglasnv.us.

NOTICE OF PUBLIC HEARING

IVGID is proposing a sewer and water rate increase, with an average increase on water rates of 4.2% and sewer rates of 6.4%, for a total average utility rate increase of 5.5%; as well as amendments to its Sewer and Water Ordinances (IVGID Ordinance 2 and 4, respectively), including:

The key changes to the Sewer Ordinance #2 and Water Ordinance #4 are:

- New Sewer - Schedule of Service Charges.
- New Water - Schedule of Service Charges.
- New Fee Schedule.

Copies of the proposed ordinances are available at 893 Southwood Blvd., 1220 Sweetwater Road, and on our website at: www.yourtahoepace.com/ivgid/resources/ivgid-ordinances

The public hearing will be held:
Tuesday, April 14, 2020 not earlier than 6:00 pm and as soon thereafter as practicable at The Chateau, 955 Fairway Boulevard, Incline Village, Nevada

The 2020 Rate Study and Presentation, which were presented to the Board of Trustees on February 26, 2020, are available on our website: www.yourtahoepace.com/public-works/rates-billing/about-rates-billing. The documents detail our rate structure and why the rate increase is being proposed.

If you have comments about the proposed changes to the Sewer or Water Ordinance, please contact us. You may:

Writes us a letter: 893 Southwood Boulevard
 Incline Village, Nevada 89451
 Attn: Utility Ordinance Amendments
 (775) 832-1100

Give us a call: (775) 832-1100

Send us a fax: (775) 832-1331

Send us an e-mail: utilityordinancecomments@ivgid.org

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- New Water - Schedule of Service Charges.
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Write us a letter: 893 Southwood Boulevard
Incline Village, Nevada 89451
Attn: Utility Ordinance Amendments
Give us a call: (775) 832-1100
Send us a fax: (775) 832-1331
Send us an e-mail: utilityordinancecomments@ivgid.org



From: sultan@bainbridge.net
To: [Utility OrdinanceComments](#)
Subject: Sewer and Water Proposed Rate Change
Date: Sunday, March 29, 2020 8:02:35 AM

With almost no inflation and Coronavirus raging I can not see how our Board can begin to justify raising rates anywhere near 5.5% or maybe at all. My input is that Ivgid do just as America is doing, putting of all non-critical expenses and help the tax payers in anyway they can.

On another subject: In the winter we reside in La Quinta, CA. When we relocate to Incline in the summer we file with the City a form that eliminates the monthly garbage waste charges. I would like to understand why Ivgid allows the waste company to collect charges for work they do not do, in our case for 6 months, \$ 150 ? This revenue is totally unearned and as I see it a gift to the garbage collection company. I would appreciate an explanation and justification. Who else gets remuneration for not doing work?

Sincerely,

Anthony E. Sultan
651 14th Green Dr.

MEMORANDUM

TO: Board of Trustees

FROM: Indra Winqest
Interim General Manager

SUBJECT: General Manager's Status Report
Prepared for the meeting of April 14, 2020

DATE: April 8, 2020

Interim General Manager & Board of Trustees Priority Projects & Tasks

ACTION ITEM	TARGET DATE COMPLETION	RESPONSIBLE PARTY	STATUS
Filing of Preliminary Budget to Department of Taxation by 4/15/2020	4/15/2020	GM Winqest/Director of Finance Navazio/Board of Trustees	Preliminary budget filing items on agenda for 4/14/2020.
Effluent Pond Lining Project Review Scope of Services	5/6/2020	GM Winqest/Director of PW Pomroy Trustees Wong/Dent	Scope of Services being developed for Project Review/Manager. Need USACE Partnership Agreement
Effluent Pipeline Project Review Scope of Services	5/6/2020	GM Winqest/Director of PW Pomroy Trustees Wong/Dent	Scope of Services being developed for Project Review/Manager.
USFS Parcel Acquisition	Ongoing	GM Winqest	Met with USFS Staff 4/2/20 process of filing a special use permit. Will be delayed as a result of COVID-19
Burnt Cedar Pool Project	10/31/2021	Engineering/GM Winqest	Currently out for RFQ for a design team. Need to set up advisory committee meeting.
Guest Access Ticket Revision	Completed	GM Winqest	Included details of new process in GM Report on 4/1 and 4/14.
No Smoking/Vaping Policy	Completed	GM Winqest	Resolution approved by BOT on 4/1. Implementation beginning.
Internal Controls Audit/Questions regarding the 18-19 Audit/CAFR	Ongoing	Audit Committee/GM Winqest	In beginning Stage. Scope of Services Development
Audit Charter/Policy 15.1.0 Update	Ongoing	Audit Committee	Will be on 5/6 Agenda

ACTION ITEM	TARGET DATE COMPLETION	RESPONSIBLE PARTY	STATUS
Ordinance 7 Administrative Revisions	TBD	GM Winquest	Public Hearing - Postponed due to COVID – 19 Virus impact
Smith vs IVGID Litigation	5/20/2020	Legal Counsel/Board of Trustees/GM Winquest	Will be meeting with third party Legal Counsel to review case. Court has set a status hearing date of May 12, 2020
2020-22 Strategic Plan	7/1/2020	Senior Management Team/Board of Trustees	Planning for workshop in June 2020
2020-21 Budget Workshop	05/07/2020	Senior Management Team/Board of Trustees	Planning for a workshop at the Chateau unless COVID-19 stay at home order is extended then it will be virtual

COVID – 19, Impacts to the District & update on closures and restrictions

Diamond Peak and the Recreation Center closed on Monday, March 16th. Additionally, all community programming has been cancelled or postponed until further notice. Public Works, Administration, and Chateau all closed to the public on Tuesday, March 17th. The beaches are available for walk in only and social/physical distancing is being monitored closely. The Parks remain open for drop in use and social/physical distancing is being monitored closely. Staff is working on an essential/critical employee basis.

504 Staff at Diamond Peak were laid off on March 16th, and an additional 127 staff have been furloughed. These staff were paid "Pandemic Pay" from March 16 – 27th. Hiring of Spring/Summer seasonal staff will be delayed until further notice. We have placed the hiring of J1's on hold and we will continue to evaluate the COVID-19 situation as we hope to begin gradually bringing back Staff when safe and as venues begin opening.

Many full time staff are working from home and/or are working a combination of on site and home as well as utilizing sick and/or vacation leave. Additional cost savings steps, as they relate to Full Time Year Round Staff, are being evaluated. Seasonal and hourly are currently working on a critical need basis only. Our Human Resources team is doing an outstanding job of working through the State and Federal guidelines for our workforce.

Our Finance, Accounting & Payroll team are working diligently to make sure the operations and business of the District keep moving. The team is currently and will continue to work on projections for a variety of different financial implications as a result of the COVID-19 outbreak.

The Community Services team are working on developing reopening strategies to make sure a healthy and safe environment is provided so that our residents and guests are comfortable visiting our venues and participating in activities. Additionally, Staff is working on digital and online resources to keep the community active and engaged. The golf courses and parks

staff will continue with normal preparation for upcoming seasons although it is universally understood that there may be impacts as a result of COVID-19. The Recreation Center is closed until further notice, however, Recreation Counter Staff is available to answer phone calls and respond to emails.

The Public Works & Utilities team continues to provide outstanding service while protecting the water and sewer infrastructure during this extremely crucial and challenging time. Engineering staff continues to work on project development and management, Public Works Administration is closed to the public but Staff is answering phones and responding to emails during normal business hours.

- *IVGID Public Works will temporarily suspend disconnections and penalty charges for delinquent accounts during this time. We will work with customers facing financial hardship to develop payment plans in order to assist with past due balances. We encourage any of our customers to contact us if they have concerns about their account balances.*

On April 8, effective 11:59 p.m., Nevada's Governor Sisolak issued Directive 13 which closed all public recreational spaces such as the skate park, golf courses, etc. Staff began the process of posting signage to be in compliance with this directive.

Capital Projects Update April 8, 2020

Design

Championship Golf Maintenance Building Drainage and Washpad Improvements

A 2020 Capital Improvement Project, this project will improve surface and sub-surface drainage, construct a modern wash pad facility, and spot treat pavement failures at the Championship Golf Maintenance Building. An engineering consultant has been hired to complete the design and currently working with staff to develop construction documents for bidding in Spring 2020 and construction in Summer/Fall 2020.

Martis Peak Road - Water Main Replacement

A 2020 Capital Improvement Project, this project includes slip lining a 14-inch water main under State Route 28 and replacing aging steel water main in Martis Peak Road and Rifle Peak Court. IVGID Engineering staff is completing the design and is on schedule to bid in Spring 2020 and construction in Summer/Fall 2020.

Tennis Center Renovation

The Board approved on June 19 for staff to begin the design of the tennis center renovation. The architectural, design and permitting services scope of work was approved at the August 14 BOT meeting with the removal of Bocce Courts. The key project objectives are renovation of the pro-shop buildings and surrounding site to renovate aging restrooms, expand the pro-shop by enclosing outdoor kitchenette area, expand and enhance the deck area, improve wayfinding and flow of traffic through the Tennis Center. The Board selected a design

development alternative on November 13th and authorized public advertisement for bids on March 11th. Project permitting and public bidding will occur in the coming months and the bid results are tentatively scheduled to be presented to the Board on June 10th.

Effluent Pipeline Project

District Staff provided a detailed Effluent Export Project update to the Board of Trustees on January 29, 2020. The immediate priority is to replace all of the remaining Segment 3 pipeline (12,385 linear feet) and to make immediate repairs to the Segment 2 pipeline (17,314 linear feet) to extend its life and mitigate a potential future leak site. At the February 26, 2020 Board of Trustees Meeting, a design services scope of work was presented to the Board to begin replacement of Segment 3, the scope of work was not approved. The Board has placed this project on hold pending the hiring of a Project Manager to conduct a complete project review of the Effluent Export Project. The annual CIP amount of \$2,000,000 will be allocated to this project. At the March 11, 2020 Board of Trustees meeting, the Board of Trustees unanimously approved to restrict \$9,656,890 to the Effluent Pipeline Project, Project #2524SS1010 from the Unrestricted Net Position in the Utility Fund effective March 12, 2020.

Effluent Pond Lining Project – 2599SS2010 (this is a new capital project #) – PO#

A component of the Water Resource Recovery Facility (WRRF) operation is a non-permitted 2.4 million gallon effluent storage basin located adjacent to the wastewater resource recovery facility (Plant). The WRRF Effluent Storage Alternative Analysis Memorandum, September 2018, recommends a reinforced concrete or the combination of concrete and shotcrete lining that provides the best long term value, maximizes storage volume, and has low maintenance to keep in service. At the February 26, 2020 Board of Trustees Meeting, a design services scope of work was presented to the Board for lining the pond, the scope of work was not approved. The Board has placed this project on hold pending the hiring of a Project Manager to conduct a complete project review of the Effluent Export Project. On February 27, 2020, Staff set up a new capital project for the Effluent Pond Lining and that project number is noted above. It is also included as an unbudgeted project for the 2020-21 CIP Budget

Construction

WRRF Aeration System Improvements

The aeration process of wastewater treatment supplies oxygen to facilitate the biological activity that converts raw sewage into treated wastewater effluent. The plant has six-200,000-gallon aeration basins with two jet aeration clusters per basin supplied by computer controlled multistage centrifugal aeration blowers. This project funds the design and replacement of the aeration system equipment at the WRRF. The Board awarded the construction contract to the lowest responsive bidder, KG Walters, on December 11. A preconstruction meeting was held on January 15, 2020 and the Contractor is currently preparing submittals for all the required equipment. The project will continue until December 2020. Progress meetings are held every two weeks. Construction will start in mid-April.

K. G. Walters Construction Contract Status:

Original Contract Amount	Change Orders	Current Total Contract Amount	Total Payments for Work Completed to Date	Current Balance to Completion (including retainage)
\$1,508,500	\$0	\$1,508,500	\$0	\$1,508,500

Water Reservoir Safety and Security Improvements – Phase 1

This project would replace the ladders that access the top of the water reservoirs, install intermediate access platforms, install protective railings and install new fall protection devices. The exterior access to the roof area is required to meet the needs of the District to monitor the water quality in the reservoirs and perform routine repairs to radio communication equipment. The ladders also need to be secured from access by the public. The reservoir ladders, fall protection, platforms, and protective railings will meet the current Occupational Safety and Health Administration (OSHA) safety standards. The Board awarded the contract to Resource Development Company on April 10, 2019 for 10 of 13 reservoirs. Construction begins this summer and is expected to be substantially complete by September 30, 2020.

Resource Development Construction Contract Status:

Original Contract Amount	Change Orders	Current Total Contract Amount	Total Payments for Work Completed to Date	Current Balance to Completion (including retainage)
\$362,600	\$0	\$362,600	\$0	\$362,600

Water Reservoir Safety and Security Improvements – Phase 2

The second phase of this project would replace the ladders that access the top of the water reservoirs, install intermediate access platforms, install protective railings and install new fall protection devices for the remaining 3 reservoirs. Bid results are under review and are tentatively scheduled to be presented to the Board on May 6th. If awarded, construction is scheduled to begin this summer and is expected to be substantially complete by October 15, 2020.

WPS 2-1 Incline – (Adjacent to Burnt Cedar Beach)

Water Pump Station 2-1 (WPS 2-1) is located at the Burnt Cedar Water Disinfection Plant (BCWDP) and pumps the disinfected potable water into the water distribution system to serve all customers. This project replaces the electric motor control centers (MCCs) and switchgear at WPS 2-1 dating to the original 1972 installation. Jacobs Engineering completed the design. The Board awarded the contract on August 28, 2019 to San Joaquin Electric. Notice to proceed was issued on September 9, 2019. The project is now complete and retention will be held for 30 days.

San Joaquin Construction Contract Status:

Original Contract Amount	Change Orders	Current Total Contract Amount	Total Payments for Work Completed to Date	Current Balance to Completion (including retainage)
\$291,000	\$0	\$291,000	\$276,450	\$14,550

Mountain Course Clubhouse Renovation

On August 11, 2018 a fire occurred in the Mountain Course Clubhouse which led to the closing of the kitchen area. The Board approved renovation plans include a revised allocation of floor space, changes to access and substantial change to customer flow. A new ADA accessibility to the lower level for food service and construction of a new and expanded deck and the installation of new windows and doors. The Board approved the design on May 22, 2019 and authorized advertising for bids which then occurred on June 21, 2019. The Board awarded the construction contract to Houston Smith Construction at the August 14, 2019 BOT meeting. Project is nearing completion. Work schedule for the next complete weeks include inside finish work, installation of kitchen equipment, site paving, and exterior painting.

Houston-Smith Construction Contract Status:

Original Contract Amount	Change Orders	Current Total Contract Amount	Total Payments for Work Completed to Date	Current Balance to Completion (including retainage)
\$1,006,000	\$83,575	\$1,089,575	\$916,365	\$173,210

IVGID Recreation Center Paver Entrance

A 2020 Capital Improvement Project to replace the cracking concrete entrance at the IVGID Recreation Center with concrete pavers will address an outstanding safety concern. Engineering staff has completed design and the project has been awarded to Eric's Concrete Pavers, Inc. Project start date has been moved to April 13th to take advantage of the Recreation Center closure. Completing the project during the closure will significantly reduce the user conflicts and hazards to the public.

IVGID Recreation Center Site Lighting Replacement

A 2020 Capital Improvement Project to replace bollard and site lights with modern LED fixtures. An outside Electrical Engineering firm has completed design and the project has been awarded to Intermountain Electric, Inc. Construction is scheduled to start the week of May 4th.

Incline Village Bocce Courts

At the August 14, 2019 Board of Trustees meeting, the Board prioritized construction of bocce courts. Two bocce courts were initially included in the Tennis Center Remodel Project but were removed in favor of maintaining the existing hitting wall. At the November 13, 2019 Board of Trustees meeting, a preferred site was selected adjacent to the IVGID Recreation Center. Engineering staff has completed design and the project has been awarded to Rapid Construction, Inc. Construction is scheduled to start the week of June 1st.

Priority Projects & Items

Resolution 1480 Update

As stated in Resolution 1480, the General Manager has direct supervision over all District employees, with the exception of the Attorney. The General Manager will ensure that the District's Organizational Chart reflects that Legal Counsel reports to the Board of Trustees while the General Manager coordinates the legal work of the District consistent with Board of Trustees direction. Additionally, all Legal Counsel invoices will be provided to the Board of Trustees for review and approval prior to payment.

Beach Guest Access Ticket Revised Process

At the December 11, 2019 Board of Trustees meeting, Staff was directed to develop an alternative to the existing Beach Guest Access Ticket process/s. This update was originally included in GM Report for the 4/1/20 BOT meeting. All the below key components will require no change to Ordinance 7. Staff has met with multiple property management agencies over the past few months explaining the reasoning for this change and gathering feedback to aid in the development of a new process. The goals of this change are to add more control of beach access, create efficiencies within the operations, and to provide improved data as it relates to guest access. The revised process transitions the guest access ticket to a pay to play model. The key components include:

- Guest must be authorized by parcel owner or property manager. All property managers must have a completed agent authorization form on file signed by the parcel owner.
 - Guest required to provide a Guest Authorization form signed by parcel owner or agent.
 - Guest required to provide rental agreement.
 - Guest must pre purchase daily passes at the Recreation Center. Guest cannot pay directly at the beach gates.*
 - Guest can only purchase a pass during the length of stay determined by required documentation
 - No refunds allowed
- *guest can pay at the beach gates only if IVGID Passholder is present

Washoe County Collaboration

Washoe County Commissioner Marsha Berkbigler, on behalf of Washoe County, has provided \$11,000.00 in funding to purchase and install bear boxes along the Lakeshore Pathway. Staff will be selecting locations for installation and install when warmer temperatures allow.

Washoe County is also committed to installing the no overnight parking signage along Incline Way and other selected areas later this spring. This has been delayed by the current situation with COVID-19.

Financial Transparency

As we write this update, the District has closed all venues to the public due to the COVID-19 Nevada Stay at Home order. Staff continues to evaluate the effects on the current fiscal year budget, with a primary focus on the Community Services and Beach Fund operations, under scenarios where venues and non-essential services are closed a) through May and b) through June.

With the strong financial performance through the first three quarters, we anticipate both funds ending the year *ahead of budget*, assuming avoidance of staffing and program costs, consistent with curtailment of facility operations. While financial results absent closures would have yielded results with significant favorable variance compared to the adopted budget, within the Community Services Fund, under the closure scenarios, the fund is expected to end the year with a net favorable variance of between \$400,000 and \$1,100,000, for closure through June and May, respectively. This is primarily attributable to revenues generated by Diamond Peak through March 15. For the Beach Fund, year-end results are conservatively projected to yield a favorable budget variance in the range of \$500,000 to \$650,000 as compared to the adopted budget.

While both the General Fund and Utility Fund revenues are largely buffered from short term impacts from facility closures and level of activity, additional cost-savings measures are being implemented including reduced work hours for staff (limited to essential services), reduced contract services, and deferring non-essential expenditures. The General Manager is evaluating additional personnel cost-saving measures should closures extend beyond the next thirty days.

Consistent with Board direction, Staff is also evaluating current year capital projects through development of criteria to inform decisions on proceeding with or deferring capital expenditures, with a focus on health and safety, mandates and assessment of long-term impacts on services upon return to quasi-normal operations.

The effects of the economic slowdown, social/physical distancing, and the downturn in tourism is also being evaluated in conjunction with refinement of the FY2020-21 budget process. To inform Board direction on the final budget, Staff is evaluating alternative scenarios contemplating closures and/or reduced program activity through July (one-month), September (3-months) and December (6-months) into the new fiscal year. These budget scenarios – including both operating and capital budget impacts – will be presented to the Board at the May 7th budget workshop.

Capital Project Being Evaluated because of COVID-19 Economic Impacts

The following table has the projects in the 2019-2020 Capital Improvement Project Budget that are being evaluated for deferral or re-budgeting, or cancellation.

Department	Project Title	2019-20 Budgeted Amount	Note
Public Works	Household Hazardous Waste Building Improvements	\$15,000	Cancelled
Facilities	Chateau – Replace Carpet	\$62,000	Being Evaluated
Facilities	Replace Hallway Tile at Chateau	\$65,000	Deferred
Recreation Center	Replace Fitness Equipment	\$45,000	Being Evaluated
Champ Golf	Printer Copier Replacement	\$10,000	Deferred
Champ Golf	Venue Signage Enhancements	\$40,000	Being Evaluated

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winqest
Interim General Manager

FROM: Joseph J. Pomroy, P.E.
Director of Public Works

SUBJECT: Review, discuss and possibly approve the proposed schedule of services for Sewer Ordinance #2 “An Ordinance Establishing Rates, Rules and Regulations for Sewer Service by the Incline Village General Improvement District” **and** Review, discuss and possibly approve the proposed schedule of services for Water Ordinance #4 “An Ordinance Establishing Rates, Rules and Regulations for Water Service by the Incline Village General Improvement District” **and** Review, discuss and possibly approve the proposed Fee Schedule – Resolution 1877.

DATE: March 27, 2020

I. RECOMMENDATION

That the Board of Trustees approve Resolution 1877 for the Proposed Sewer Schedule of Service Charges, Water Schedule of Service Charges and Fee Schedule.

II. DISTRICT STRATEGIC PLAN

The Utility Rate Study supports Long Range Principle #2, Finance; The District will ensure fiscal responsibility and sustainability of service capacities by maintaining effective financial policies for operating budgets, fund balances, capital improvement and debt management. Under Objectives for 2018-20, it specifically states “*Prepare a five-year projection of financial results for each audited fund for operations, capital improvement and debt service as a part of budget deliberations.*”

Review, discuss and possibly approve the proposed -2-
schedule of services for Sewer Ordinance #2 "An
Ordinance Establishing Rates, Rules and Regulations
for Sewer Service by the Incline Village General Improvement
District" and Review, discuss and possibly approve the proposed
schedule of services for Water Ordinance #4 "An Ordinance
Establishing Rates, Rules and Regulations for Water Service
by the Incline Village General Improvement District" and Review,
discuss and possibly approve the proposed Fee Schedule – Resolution 1877

March 27, 2020

III. FINANCIAL IMPACT AND BUDGET

The Public Works Department conducts an annual rate study to calculate the appropriate rates for water and sewer service to meet revenue and expense demands. The rate study includes a five-year projection for revenues and expenses with an eye out for large capital projects outside of the five-year window. This annual effort insures rates are meeting the needs of the District and that adjustments can be made efficiently and effectively. The rate study is based on utility management strategies, industry best practices and District historical rates.

The 2020 Utility Rate study recommendation is to increase water rates by 4.2% and sewer rates by 6.4% for a total utility rate increase of 5.5% for the average residential customer. The utility rates are scheduled for an average 4.2% increase for the next five years to meet the projected revenue requirements for the utility fund.

IV. BACKGROUND

At the February 26, 2020 District Board of Trustees Meeting, Staff presented the Utility Rate Study that included the next five years of operating and capital expenses and the projected revenue needs to provide sufficient and stable revenue during that time period.

The Utility Rate Study from the February 26, 2020 Board of Trustees Meeting is posted on the IVGID website and the reader can review that document and listen to the presentation on LiveStream. At the February 26, 2020 Board of Trustees meeting the Board authorized April 14, 2019 as the date for the public hearing and directed staff to publish the Ordinance 2 and Ordinance 4 amendments and prepare the new utility rates for viewing by the public prior to the Hearing. The deadlines for posting and advertising were met in accordance with the NRS.

The final version of the Sewer Schedule of Service Charges, Water Schedule of Service Charges and Fee Schedule follows this memo. Exhibit A, B and C have been removed from Ordinance 2 and Ordinance 4 and have been placed into a single Schedule of Service Charges and Fee Schedule for water rates, sewer rates, connection fees and miscellaneous fees and charges. The Ordinances are being prepared in this manner so they can be more readily adopted into the IVGID Code at a future date.

Review, discuss and possibly approve the proposed -3- schedule of services for Sewer Ordinance #2 "An Ordinance Establishing Rates, Rules and Regulations for Sewer Service by the Incline Village General Improvement District" **and** Review, discuss and possibly approve the proposed schedule of services for Water Ordinance #4 "An Ordinance Establishing Rates, Rules and Regulations for Water Service by the Incline Village General Improvement District" **and** Review, discuss and possibly approve the proposed Fee Schedule – Resolution 1877

March 27, 2020

V. BID RESULTS

Not applicable.

VI. ALTERNATIVES

Not adopt the Sewer Schedule of Service Charges, Water Schedule of Service Charges and Fee Schedule and not increase sewer rates. This will have a long term negative impact on the assets and financial health of the District. Water and sewer systems have regulatory oversight so the District must meet operation and infrastructure standards regardless of available funds.

VII. COMMENTS

The Public Hearing for the Sewer Schedule of Service Charges, Water Schedule of Service Charges and Fee Schedule is scheduled to be conducted on April 14, 2020.

VIII. BUSINESS IMPACT

This item is a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, but it does not impose a direct and significant economic burden on a business, or directly restrict the formation, operation or expansion of a business, and therefore does not require a Business Impact Statement.



Resolution No. 1877

**A RESOLUTION ADOPTING SEWER – SCHEDULE OF SERVICE CHARGES,
WATER – SCHEDULE OF SERVICE CHARGES, AND FEE SCHEDULE
Incline Village General Improvement District**

WHEREAS, on the 14th day of April, 2020, a public hearing was held by the Board of Trustees of the Incline Village General Improvement District to consider the adoption of “Sewer – Schedule of Service Charges”; “Water – Schedule of Service Charges”; and “Fee Schedule” and

WHEREAS, notice of said hearing was published as required by NRS 318.199; and

WHEREAS, testimony was presented as to the necessity for the adoption of the proposed amendments; and

WHEREAS, all interested parties were allowed at the public hearing and prior thereto, to present in writing or orally, information, views, and arguments; and

WHEREAS, the Board of Trustees, after considering all of the testimony, information, views and arguments, have determined that adoption of the proposed schedules is in the best interests of the District and is required.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT, that it hereby adopts , these three schedules effective immediately.

* * * * *

I hereby certify that the foregoing is a full, true and correct copy of a resolution duly passed and adopted at a regularly held meeting of the Board of Trustees of the Incline Village General Improvement District on the 14th day of April, 2020 by the following vote:

AYES, and in favor thereof,
NOES:
ABSENT:

Kendra Wong
Secretary



GENERAL IMPROVEMENT DISTRICT
ONE DISTRICT ~ ONE TEAM

EXHIBIT A

**SEWER – SCHEDULE OF SERVICE
CHARGES**

**WATER – SCHEDULE OF SERVICE
CHARGES**

FEE SCHEDULE



SEWER - SCHEDULE OF SERVICE CHARGES

As Proposed for Adoption on 4/14/20, for Rates Effective 5/19/20

Residential & 3/4" Service Rates (CAF = 1)	
Sewer Base x CAF x Users	\$21.00
Sewer Capital Improv x CAF x Users	\$33.50
Sewer Admin Fee per Account	\$4.15
3/4" Base Monthly Invoice	\$58.65
Sewer Use*	\$3.35/1000 gallons
3/4" Sewer Connection**	\$3,410
3/4" Sewer Retroactive Capital Improv**	\$2,050

1" Service Rates (CAF = 1.67)	
Sewer Base x CAF x Users	\$35.07
Sewer Capital Improv x CAF x Users	\$55.95
Sewer Admin Fee per Account	\$4.15
1" Base Monthly Invoice	\$95.17
Sewer Use*	\$3.35/1000 gallons
1" Sewer Connection**	\$5,690
1" Sewer Retroactive Capital Improv**	\$3,420

1.5" Service Rates (CAF = 3.33)	
Sewer Base x CAF x Users	\$69.93
Sewer Capital Improv x CAF x Users	\$111.56
Sewer Admin Fee per Account	\$4.15
1.5" Base Monthly Invoice	\$185.64
Sewer Use*	\$3.35/1000 gallons
1.5" Sewer Connection**	\$11,350
1.5" Sewer Retroactive Capital Improv**	\$6,820

2" Service Rates (CAF = 5.33)	
Sewer Base x CAF x Users	\$111.93
Sewer Capital Improv x CAF x Users	\$178.56
Sewer Admin Fee per Account	\$4.15
2" Base Monthly Invoice	\$294.64
Sewer Use*	\$3.35/1000 gallons
2" Sewer Connection**	\$18,160
2" Sewer Retroactive Capital Improv**	\$10,910

3" Service Rates (CAF = 10)	
Sewer Base x CAF x Users	\$210.00
Sewer Capital Improv x CAF x Users	\$335.00
Sewer Admin Fee per Account	\$4.15
3" Base Monthly Invoice	\$549.15
Sewer Use*	\$3.35/1000 gallons
3" Sewer Connection**	\$34,080
3" Sewer Retroactive Capital Improv**	\$20,470

4" Service Rates (CAF = 16.67)	
Sewer Base x CAF x Users	\$350.07
Sewer Capital Improv x CAF x Users	\$558.45
Sewer Admin Fee per Account	\$4.15
4" Base Monthly Invoice	\$912.67
Sewer Use*	\$3.35/1000 gallons
4" Sewer Connection**	\$56,810
4" Sewer Retroactive Capital Improv**	\$34,120

6" Service Rates (CAF = 33.33)	
Sewer Base x CAF x Users	\$699.93
Sewer Capital Improv x CAF x Users	\$1,116.56
Sewer Admin Fee per Account	\$4.15
6" Base Monthly Invoice	\$1,820.64
Sewer Use*	\$3.35/1000 gallons
6" Sewer Connection**	\$113,580
6" Sewer Retroactive Capital Improv**	\$68,220

8" Service Rates (CAF = 53.33)	
Sewer Base x CAF x Users	\$1,119.93
Sewer Capital Improv x CAF x Users	\$1,786.56
Sewer Admin Fee per Account	\$4.15
8" Base Monthly Invoice	\$2,910.64
Sewer Use*	\$3.35/1000 gallons
8" Sewer Connection**	\$181,730
8" Sewer Retroactive Capital Improv**	\$109,150

10" Service Rates (CAF = 76.65)	
Sewer Base x CAF x Users	\$1,609.65
Sewer Capital Improv x CAF x Users	\$2,567.78
Sewer Admin Fee per Account	\$4.15
10" Base Monthly Invoice	\$4,181.58
Sewer Use*	\$3.35/1000 gallons
10" Sewer Connection**	\$261,200
10" Sewer Retroactive Capital Improv**	\$156,880

* **Residential Variable Sewer Costs:** Variable sewer costs for residential customers are based on monthly water use as follows: During the non-irrigation months (December through April), the variable sewer cost is calculated using the metered water use value. During irrigation billing months (May through November), the variable sewer cost shall be the lesser of the metered water use value or the non-irrigation months' average metered water use. The non-irrigation months' average shall not be set at a value less than 3,000 gallons.

** Sewer Connection and Sewer Retroactive Capital Improvement Charges are based on water service size for billing purposes.



WATER - SCHEDULE OF SERVICE CHARGES

As Proposed for Adoption on 4/14/20, for Rates Effective 5/19/20

Residential & 3/4" Service Rates (CAF = 1)	
Water Base x CAF x Users	\$12.45
Water Capital Improv x CAF x Users	\$15.75
Water Admin Fee per Account	\$4.15
Defensible Space x Users	\$1.05
3/4" Base Monthly Invoice	\$33.40
Water Use	\$1.62/1000 gallons
Water Tier 1 - Use above 20,000 gal	\$1.00/1000 gallons
Water Tier 2 - Use above 60,000 gal	\$1.40/1000 gallons
3/4" Water Connection	\$1,700
3/4" Water Retroactive Capital Improv	\$1,940

1" Service Rates (CAF = 1.67)	
Water Base x CAF x Users	\$20.79
Water Capital Improv x CAF x Users	\$26.30
Water Admin Fee per Account	\$4.15
Defensible Space x Users	\$1.05
1" Base Monthly Invoice	\$52.29
Water Use	\$1.62/1000 gallons
Water Tier 1 - Use above 33,400 gal	\$1.00/1000 gallons
Water Tier 2 - Use above 100,200 gal	\$1.40/1000 gallons
1" Water Connection	\$2,840
1" Water Retroactive Capital Improv	\$3,240

1.5" Service Rates (CAF = 3.33)	
Water Base x CAF x Users	\$41.46
Water Capital Improv x CAF x Users	\$52.45
Water Admin Fee per Account	\$4.15
Defensible Space x Users	\$1.05
1.5" Base Monthly Invoice	\$99.11
Water Use	\$1.62/1000 gallons
Water Tier 1 - Use above 66,600 gal	\$1.00/1000 gallons
Water Tier 2 - Use above 199,800 gal	\$1.40/1000 gallons
1.5" Water Connection	\$5,660
1.5" Water Retroactive Capital Improv	\$6,460

2" Service Rates (CAF = 5.33)	
Water Base x CAF x Users	\$66.36
Water Capital Improv x CAF x Users	\$83.95
Water Admin Fee per Account	\$4.15
Defensible Space x Users	\$1.05
2" Base Monthly Invoice	\$155.51
Water Use	\$1.62/1000 gallons
Water Tier 1 - Use above 106,600 gal	\$1.00/1000 gallons
Water Tier 2 - Use above 319,800 gal	\$1.40/1000 gallons
2" Water Connection	\$9,050
2" Water Retroactive Capital Improv	\$10,350

3" Service Rates (CAF = 10)	
Water Base x CAF x Users	\$124.50
Water Capital Improv x CAF x Users	\$157.50
Water Admin Fee per Account	\$4.15
Defensible Space x Users	\$1.05
3" Base Monthly Invoice	\$287.20
Water Use	\$1.62/1000 gallons
Water Tier 1 - Use above 200,000 gal	\$1.00/1000 gallons
Water Tier 2 - Use above 600,000 gal	\$1.40/1000 gallons
3" Water Connection	\$16,990
3" Water Retroactive Capital Improv	\$19,410

4" Service Rates (CAF = 16.67)	
Water Base x CAF x Users	\$207.54
Water Capital Improv x CAF x Users	\$262.55
Water Admin Fee per Account	\$4.15
Defensible Space x Users	\$1.05
4" Base Monthly Invoice	\$475.29
Water Use	\$1.62/1000 gallons
Water Tier 1 - Use above 333,400 gal	\$1.00/1000 gallons
Water Tier 2 - Use above 1,000,200 gal	\$1.40/1000 gallons
4" Water Connection	\$28,310
4" Water Retroactive Capital Improv	\$32,360

6" Service Rates (CAF = 33.33)	
Water Base x CAF x Users	\$414.96
Water Capital Improv x CAF x Users	\$524.95
Water Admin Fee per Account	\$4.15
Defensible Space x Users	\$1.05
6" Base Monthly Invoice	\$945.11
Water Use	\$1.62/1000 gallons
Water Tier 1 - Use above 666,600 gal	\$1.00/1000 gallons
Water Tier 2 - Use above 1,999,800 gal	\$1.40/1000 gallons
6" Water Connection	\$56,610
6" Water Retroactive Capital Improv	\$64,700

8" Service Rates (CAF = 53.33)	
Water Base x CAF x Users	\$663.96
Water Capital Improv x CAF x Users	\$839.95
Water Admin Fee per Account	\$4.15
Defensible Space x Users	\$1.05
8" Base Monthly Invoice	\$1,509.11
Water Use	\$1.62/1000 gallons
Water Tier 1 - Use above 1,066,600 gal	\$1.00/1000 gallons
Water Tier 2 - Use above 3,199,800 gal	\$1.40/1000 gallons
8" Water Connection	\$90,580
8" Water Retroactive Capital Improv	\$103,520

10" Service Rates (CAF = 76.65)	
Water Base x CAF x Users	\$954.29
Water Capital Improv x CAF x Users	\$1,207.24
Water Admin Fee per Account	\$4.15
Defensible Space x Users	\$1.05
10" Base Monthly Invoice	\$2,166.73
Water Use	\$1.62/1000 gallons
Water Tier 1 - Use above 1,533,000 gal	\$1.00/1000 gallons
Water Tier 2 - Use above 4,599,000 gal	\$1.40/1000 gallons
10" Water Connection	\$130,190
10" Water Retroactive Capital Improv	\$148,790



FEE SCHEDULE

As Proposed for Adoption on 4/14/20, for Rates Effective 5/19/20

Fee Schedule	
Sewage Drop-off at Treatment Plant	\$75/per 1,000 gal
Backflow Inspections - up to 1 hr labor	\$65/per device
	Repairs at cost
Plan Check Fees	\$90/hour
Inspection Fees	\$90/hour
Upgraded Meter, Register or Transponder	Billed at cost
Service Calls - 1/2 hour minimum with equipment billed at cost	\$40/per half hour
Tampering with Equipment	\$100 minimum
	Repairs at cost
Water Waste Penalty	\$100
Hydrant Meter Rental Charges	\$1,000/deposit \$40/month
1.5" Meter Rental Charges	\$100/deposit \$20/month
3/4" Meter Rental Charges	\$100/deposit \$15/month
Bulk Water for Construction	\$1.62/per 1,000 gal
Violation of air-gap on truck fill-up	\$500
Returned Check Fee	\$25
Posting Service Charge	\$20
Mainline Tapping, if performed by IVGID	Cost plus 15%

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winquist
Interim General Manager

FROM: Mike Bandelin
Diamond Peak Ski Resort General Manager

SUBJECT: Review, discuss and possibly award a Procurement Contract for the Purchase of Replacement Ski Rental Shop Equipment – 2019/2020 Capital Improvement Project: Fund: Community Service; Division: Ski; Project # 3468RE0002; Vendor: Rossignol – Amount \$285,834.75

STRATEGIC PLAN: Long Range Principle #5 Assets and Infrastructure - The District will practice perpetual asset renewal, replacement, and improvement to provide safe and superior long term utility services and recreation activities.

DATE: March 25, 2020

I. RECOMMENDATIONS

Staff recommends that the Board of Trustees moves to:

1. Award a procurement contract to Rossignol totaling \$285,834.75 for the manufacturing and delivery of Replacement Rental Shop Equipment to Diamond Peak Ski Resort (Totaling 1,119 pairs of skis and bindings and 1,400 pairs of ski boots).
2. Authorize Staff to execute all purchase documents based on a review by General Counsel and Staff.

II. DISTRIC STRATEGIC PLAN

Long Range Principle #5 Assets and Infrastructure - The District will practice perpetual asset renewal, replacement, and improvement to provide safe and

superior long term utility services and recreation activities. The District will maintain, renew, expand, and enhance District infrastructure to meet the capacity needs and desires of the community for future generations. The District will maintain, procure, and construct District assets to ensure safe and accessible operations for the public and the District's workforce.

III. BACKGROUND

Diamond Peak maintains a fleet of 1,365 skis and bindings (ranging in size from 70cm to 188cm), 1,568 ski boots (ranging in size from Junior 15 to Men's 33.5 Mondo Size), 408 snowboards, 545 snowboard bindings, and 596 snowboard boots in its rental shop. The rental shop equipment replacement purchases are part of a comprehensive program to maintain a functional and reliable rental fleet at Diamond Peak. This ongoing program replaces rental equipment on a four year cycle and is vital to ensuring a safe and enjoyable experience for the guests at Diamond Peak that utilize the rental shop.

Of the District's fleet of 1,365 skis and bindings, 1,320 comprise the main rental fleet (the remaining 45 pairs in the inventory make up the demo fleet from a variety of manufacturers). The District's main rental fleet of skis, bindings and ski boots, all are made by the same manufacture. Doing so has allowed the District to have a single process by which a ski is set-up during a rental transaction. This simplifies staff training, reduces the risk of mistakes during set-up, and speeds the overall transaction time. Additionally, the rental skis and bindings come as a factory mounted system that requires no drilling and little assembly upon delivery. This reduces labor costs during the fleet transition and reduces risk of mistakes during assembly.

The proposed purchase will replace all the skis and bindings in the 70cm to 175cm range (a total of 1,119 pairs of skis) and ski boots in the Junior's 15 to Men's 33.5 (mondo size) range (a total of 1,400 pairs of boots). The current inventory of Childrens skis, boots and bindings were purchased in 2016 and the Adult skis, boots and bindings were purchase in 2017. Based on visual inspection and binding testing, the equipment has reached the end of their serviceable life.

IV. BID RESULTS

The District publicly advertised this project for bidding and specifications were sent out to eight potential bidders. Five bids were received and opened on March 5, 2020. The bid results are as follows:

Vendor	Total Bid Amount
Rossignol	\$285,834.75
Elan	\$288,544.62
Fischer	\$288,997.39
Volkl	\$298,456.95
Salomon	\$299,402.25

The low responsive bidder that meets all the specified technical specifications is Rossignol. District Staff reviewed the bid and checked references for the vendor and has recommended award of this procurement to Rossignol.

V. FINANCIAL IMPACT AND BUDGET

The current budgeted amount for ski rental equipment replacement is \$335,000. The price of the proposed equipment purchase totals \$285,834.75.

During the March 18, 2019 Board of Trustees meeting (venue capital project discussion) a comment was made on deferring the replacement of the Children's skis and boots to the 2019/2020 fiscal year, doing so would allow the District to publicly bid the entire fleet of the rental equipment. The 2018/2019 capital plan budgeted amount of \$135,000 for replacement of Children's skis and boots would be carried over to fiscal year 2019/2020. Within fiscal year 2019/2020 an approved budgeted amount of \$200,000 is planned to replace Adult ski and boots. The combined projects of replacing Children's and Adult ski and boots into one project of replacing the rental fleet includes a capital project budgeted amount of \$335,000 within the 2019/2020 fiscal year.

The District places its order with the ski, snowboard, and boot manufacturers in the spring and takes delivery of the equipment in the fall in order to accommodate manufacturing lead time.

VI. ALTERNATIVE

The Board of Trustees could decide to defer the purchase of the rental equipment until the 2020/2021 fiscal year. In doing so, District staff would proceed with purchasing replacement skis based on a condition assessment and perform maintenance and repairs to the current fleet in preparation for use during the 2020/2021 season.

Review, discuss and possibly award a Procurement -4-
Contract for the Purchase of Replacement Ski Rental
Shop Equipment – 2019/2020 Capital Improvement
Project: Fund: Community Service; Division: Ski;
Project # 3468RE0002; Vendor: Rossignol – Amount \$285,834.75

March 20, 2020

VII. COMMENTS

The equipment rental shop is a major revenue contributor to Diamond Peak's annual operating budget and maintaining the condition of the rental fleet is critical to that revenue stream. A reliable and well functioning rental fleet is also an important component of providing a great customer experience at Diamond Peak.

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.



Project Summary

Project Number:	3468RE0002		
Title:	Replace Ski Rental Equipment		
Asset Class:			
Division:	68 - Rental & Repair		
Budget Year:	2018		
Scenario Name:	Main	Active:	Yes
Budget Status:	Data Entry		
Locations:			
Project Something:	RE - Rental Equipment		

Project Description
 The District owns and maintains a fleet of 1,405 skis and bindings (ranging in size from 70cm to 188cm), 1,550 ski boots, 330 snowboards, and 400 snowboard boots in its rental shop. The rental shop equipment replacement purchases are part of a comprehensive program to maintain a functional and reliable rental fleet at Diamond Peak. This ongoing program replaces rental equipment on a four year cycle and is vital to ensuring a safe and enjoyable experience for the guests at Diamond Peak that utilize the rental shop.

Project Internal Staff

Project Justification
 The general purpose of this project is to improve our facilities through required maintenance and replacement improvements that directly or indirectly reflect on our guest's experience. This project is designed to maintain the value of the Diamond Peak Ski Resort asset and customer service. In addition to rental equipment, the shop also purchases demo ski and snowboard equipment, as well as helmets. These may be included in the purchase order with vendors, but is not considered capital equipment because they turnover in 2 years or less.

Forecast			
Budget Year	Total Expense	Total Revenue	Difference
2019			
Children skis and boots	135,000	0	135,000
Year Total	135,000	0	135,000
2020			
Adult skis and boots	220,000	0	220,000
Year Total	220,000	0	220,000
2021			
Snowboard equipment	185,000	0	185,000
Year Total	185,000	0	185,000
	540,000	0	540,000

Year Identified	Start Date	Project Partner	Manager	Est. Completion Date
2016			Director of Skier Services	



Project Summary

Project Number:	3468RE0002		
Title:	Replace Ski Rental Equipment		
Asset Class:	G - Equipment & Software		
Division:	68 - Rental & Repair		
Budget Year:	2020		
Scenario Name:	Main	Active:	Yes
Budget Status:	Data Entry		
Locations:			
Project Something:	RE - Rental Equipment		

Project Description
 The District owns and maintains a fleet of 1,405 skis and bindings (ranging in size from 70cm to 188cm), 1,550 ski boots, 330 snowboards, and 400 snowboard boots in its rental shop. The rental shop equipment replacement purchases are part of a comprehensive program to maintain a functional and reliable rental fleet at Diamond Peak. This ongoing program replaces rental equipment on a four year cycle and is vital to ensuring a safe and enjoyable experience for the guests at Diamond Peak that utilize the rental shop.

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Forecast			
Budget Year	Total Expense	Total Revenue	Difference
2020			
Adult skis and boots	200,000	0	200,000
Year Total	200,000	0	200,000
2021			
Snowboard equipment	185,000	0	185,000
Year Total	185,000	0	185,000
2023			
Children skis and boots	150,000	0	150,000
Year Total	150,000	0	150,000
	535,000	0	535,000

Year Identified	Start Date	Project Partner	Manager	Est. Completion Date
2016			Director of Skier Services	

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra S, Winquest
Interim General Manager

FROM: Paul Navazio
Director of Finance

SUBJECT: Review, discuss and possibly approve Resolution Number 1878: A Resolution Preliminarily Approving the Report for Collection of Recreation Standby and Service Charges per parcel of \$830 with beach privileges and \$705 without beach privileges, Fiscal Year 2020-2021 and setting the public hearing date for Wednesday, May 27, 2020 at 6 p.m.

DATE: April 8, 2020

I. RECOMMENDATION

That the Board of Trustees makes a motion to adopt Resolution Number 1878 which preliminarily approves the Report for Collection of Recreation Standby and Services Charges (also known as the Recreation Facility Fee and Beach Facility Fee), and sets forth the public hearing date of Wednesday, May 27, 2020 at 6:00 p.m. at the Chateau, located at 955 Fairway Boulevard, Incline Village, Nevada.

II. DISTRICT STRATEGIC PLAN

Long Range Principle 2 Finance – Maintain the allocation of Facility Fee components for operations, debt service and capital expenditure to provide resources for each important aspect of District activities. Comply with Nevada Revised Statutes and Administrative Code requirement for the budget process and document content.

III. BACKGROUND

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 Tax Collection Office. 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.

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). The resolution also sets the date for the required public hearing to consider the proposed Recreation Facility Fee and Beach Facility Fee prior to final approval by the Board. Upon final approval, the District provides Washoe County with appropriate fee amounts to be assessed on each individual parcel within the District, pursuant to the prescribed process.

Staff has prepared the Report for Collection on the Washoe County Tax Roll for the Recreation Standby and Service Charges (also known as the Recreation Facility Fee and the Beach Facility Fee). Consistent with past Board direction, the preliminary budget assumes that the combined Recreation Facility Fee and Beach Facility Fee continue to be charged at the rate of \$830 for fiscal year 2020-21, comprised of the Recreation Facility Fee charge of \$705 and Beach Facility Fee of charge \$125.

However, the Board has also expressed an interest in re-evaluating the allocation of the combined fees prior to final approval. Alternative assignment and allocation of the fee(s) will be discussed as part of the Board's scheduled budget workshop on May 7th. Final approval of the fees is scheduled for May 27th, following conducting of the required public hearing.

The Board is reminded that the method of collections refers to a process that is rooted in historical references. The report includes a table to establish those major events which link the current fee to those past events. Other sections cover budgetary and collection processes.

IV. FINANCIAL IMPACT AND BUDGET

Staff has prepared a preliminary budget for fiscal year 2020-21 that, upon final adoption, provides appropriations covering costs of operating, capital and debt in support of District activities. Consistent with past Board direction, the preliminary

fiscal year 2020-21 budget assumes that the Recreation Facility Fee of \$705 per property will be collected from all properties within the District to support planned expenditures within the Community Services Fund and the Beach Facility Fee of \$125 will be collected from applicable properties to support planned expenditures within the Beach Fund, as specified in the preliminary 2020-2021 Recreation Roll Report, subject to approval by the Board.

At this time, the recommendation is only preliminary and may change by the May 27, 2020 date that is set for the public hearing and final Board adoption.

Staff's preliminary recommendation is summarized as follows:

Recreation Facility Fee (all properties)	\$705.00
Beach Facility Fee (properties with Beach access)	<u>125.00</u>
Total Combined Fee (properties with Beach access)	<u>\$830.00</u>

The estimated total revenues to be generated by the proposed fees and included in the fiscal year 2020/21 preliminary budget are as follows:

	Community Services Fund	Beach Fund	Total
Recreation Facility Fee	\$5,783,115		
Beach Facility Fee		\$968,500	
<i>Total Combined Revenues</i>			<i>\$6,751,615</i>

IV. ALTERNATIVES

The Board can direct Staff to revise, change, or modify the Recreation Facility Fee and Beach Facility Fee as currently proposed for noticing for the May 27, 2020 public hearing.

V. BUSINESS IMPACT

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



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

**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**

**FOR THE
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
WASHOE COUNTY, NEVADA**

**FISCAL YEAR ENDING
JUNE 30, 2021**



Report

**FOR COLLECTION ON THE COUNTY TAX ROLL OF
RECREATION STANDBY AND SERVICE CHARGES**

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT

This report has been prepared pursuant to the order of the Board of Trustees (herein called "Board") of the Incline Village General Improvement District (herein called "District"), Washoe County (herein called "County"), Nevada, for the purpose of having recreation standby and service charges, herein called ("charges"), for the fiscal year 2020-2021, collected on the general tax roll for said year of the County, and is based on the following facts, determinations and orders, the Board has adopted charges pursuant to NRS 318.201 through prior annual reports and other actions including:

Resolution Number	Date Approved	Venue Affected	Related Bond Maturity Date
419	10/5/1967	Burnt Cedar and Incline Beach	N/A
420	10/5/1967	Burnt Cedar and Incline Beach	N/A
450	4/16/1968	Burnt Cedar and Incline Beach	N/A
1261	7/13/1976	Golf Courses, Ski Area, Beaches	N/A
1262	7/29/1976	Golf Courses, Ski Area, Beaches, Tennis and Recreation Parcels	2022**
1750	1/14/2004	Golf Courses, Ski Area, Parks, Tennis and Facilities	2014
1785	5/28/2008	Ski Area	2018

** Resolution 1262 related bond issue was part of refunding in 1991, 2002 and 2012.



- I. The following annual charges are for the availability of use of the recreational facilities above described, and such charges (excepting those charges collected directly by the District) shall be collected by the Washoe County Treasurer 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.
- A. **Dwelling Unit Included in the District Prior to June 1, 1968.** \$705 annual base Recreation Facility Fee for each dwelling unit , whether such unit stands alone or is part of a multiple unit residential structure and whether or not such unit is separately assessed by the County Assessor; and an additional \$125 annual Beach Facility Fee pertaining to the use of the beaches or boat launching area. (For purposes hereof, a dwelling unit shall be placed on the roll at the earlier of the commencement of construction, site preparation, or utility meter installation on any portion of the lot on which the dwelling unit is located.)
- B. **Other Parcels in the District Prior to June 1, 1968 .** For each parcel separately assessed by the County Assessor, which parcel does not contain any dwelling units, \$705 annual base Recreation Facility Fee and an additional \$125 annual Beach Facility Fee pertaining to the use of the beaches or boat launching area.
- C. **Properties Annexed After June 1, 1968.** Properties annexed to the District after June 1, 1968, shall have an annual base Recreation Facility Fee of \$705. Properties annexed after June 1, 1968, are not entitled to the use of the beaches or boat launching area and pay no Beach Facility Fee.
- D. **Exceptions.** Lots, parcels and areas of land used, or the portions thereof used, or intended to be used, for religious purposes or educational purposes; common areas without occupied structures appurtenant to a condominium or townhouse cluster; and publicly owned lands, are excepted and excluded from the charges imposed by subsections A through C of this section. In addition, any parcel which is (1) undeveloped, and (2) subject to a deed restriction, acceptable to IVGID staff, preventing any and all development of the parcel in perpetuity, which deed restriction is recorded in the Washoe County Recorder's Office, and (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 charges imposed by subsections A through C of this section.

Any exception granted pursuant to paragraph I. D shall operate prospectively only from and after the date subsequent to which such exception is approved by *the Board of Trustees* of the Incline Village General Improvement District and no exception as created by the paragraph I. D shall have any retroactive application.



- E. Recreation Privileges.** Each parcel which is charged a Recreation and/or Beach Facility Fee is entitled to recreation privileges, as described in IVGID Ordinance No. 7, an Ordinance Establishing Recreation Privileges by the Incline Village General Improvement District.
- F. Governmental, Civic, or Social Groups of Guests.** Any group of persons which participates with Incline Village General Improvement District property owner groups, governmental, civic, or social groups, in recreation or other community projects, may, upon application by the sponsoring group of Incline Village General Improvement District property owners, and when approved as to the time and use of the Incline Village General Improvement District facilities, be granted beach privileges upon payment of a sum for a guest fee, the amount to be determined at the time of application.
1. The sponsoring groups shall accept in writing total responsibility for their guests in their use of the Incline Village General Improvement District facilities.
 2. Approval of use shall be for each specific group as to time and the activity, and shall be authorized in writing by the General Manager *or his representatives of the Incline Village General Improvement District* at least ten days prior to the requested group activity.
 3. Such approval shall be granted only for such times as the group activity shall constitute minimal interference with the normal use of the facility.
- II.** The amount of moneys required for the fiscal year extending from July 1, 2019, to June 30, 2020, has been determined by this Board to be about \$5,783,115 for the Recreation Facility Fee and \$968,500 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.
- III.** Said sum has been apportioned among the several lots, pieces or parcels of real property, and dwelling units within the District in accordance with the applicable rates and charges prescribed and established therefore as set forth in this report.
- IV.** The lots and parcels of real property so charged have been described by their parcel numbers used by the County Assessor in the County Tax Roll for the fiscal year 2020-2021, which are by reference to maps prepared by and on file in the office of the County Assessor for said County.
- V.** The Board has, by resolution, elected and determined to have such charges for the forthcoming fiscal year collected on the general tax roll of the County of Washoe for said year, on which general District taxes are collected, in the same manner, by the same persons and at the same time, together with and not separately from its general District taxes.



The District has agreed to pay the Washoe County Treasurer an annual fee of \$1,000 for the processing of these fees.

- VI.** The amounts of the charges shall constitute a lien against the lot or parcel of real property against which the charge has been imposed as of the time when the lien of taxes on the roll attaches, 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.

- VII.** The County Treasurer shall include the amount of the charges on the bills for taxes levied against the respective lots and parcels of land, and thereafter the amounts of the charges 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 delinquency penalties, provided that the County Treasurer may, in his discretion, issue separate bills for such charges and separate receipts for collections on account of such charges.

Dated: May 27, 2020

By Order of the Board of
Trustees of the Incline Village
General Improvement District

Kendra Wong
Secretary, IVGID Board of Trustees



I hereby certify that the report to which this certification is attached was filed with the Board of Trustees of the Incline Village General Improvement District, and set to be heard by it on May 27, 2020, and that I caused notice of said hearing to be published on May 15 and May 22, 2020, in the *Tahoe Daily Tribune*.

Susan A. Herron
District Clerk

I hereby certify that on May 27, 2020, the report to which this certification is attached came on regularly for hearing by the Board of Trustees of the Incline Village General Improvement District, being the time and place set therefore and that said Board heard and considered the report and all objections and protests thereto; that it found by resolution, that protests have not been made by the owners of a majority of the separate parcels of property described in the report, that consideration was given by it to the accuracy of each charge therein, and that where such charge was found to be inaccurate, if any, it was revised, changed, reduced or modified to make it accurate, and was finally approved and adopted.

Susan A. Herron
District Clerk

Received and filed on:

Washoe County Treasurer



RESOLUTION NO. 1878

**A RESOLUTION PRELIMINARILY APPROVING
THE REPORT FOR COLLECTION OF RECREATION STANDBY AND SERVICE CHARGES
(ALSO KNOWN AS THE RECREATION FACILITY FEE AND BEACH FACILITY FEE)
FISCAL YEAR 2020-2021**

RESOLVED, by the Board of Trustees of the Incline Village General Improvement District, Washoe County, Nevada, that

WHEREAS, pursuant to Resolutions No. 419 and 420, as amended, and the order of this Board, a report entitled "Report for Collection on the County Tax Roll of Recreation Standby and Service Charges" has been prepared and filed with this Board, a report on recreation revenue charges to be collected for the fiscal year 2020-2021 for the use of Burnt Cedar and Incline Beaches as well as the availability of use of the Incline Village Championship and Mountain Golf Courses, Diamond Peak, and other recreational properties and facilities for the District and its people; and

WHEREAS, this Board has examined said report and finds the same to be sufficient for further proceedings in relation thereto; and

WHEREAS, it is proposed that the charges contained in said report be collected by the District in accordance with the provisions of NRS 318.201.

NOW, THEREFORE, IT IS ORDERED, as follows:

1. May 27, 2020, at 6:00 p.m. (or as soon thereafter as practicable), at the Chateau, 955 Fairway Boulevard, Incline Village, Nevada, is fixed as the time and place when and where this Board will hear said report and all objections and protests, if any, to the report, and may revise, change, reduce or modify any charge therein, and finally approve and adopt same.

2. The Secretary shall cause notice of the filing of the report and of the time and place of hearing thereon to be published once a week for two weeks in the *Tahoe Daily Tribune*, a paper printed and published in the District.

* * * * *

I hereby certify that the foregoing is a full, true and correct copy of a resolution duly passed and adopted at a regularly held meeting of the Board of Trustees of the Incline Village General Improvement District on the 14th day of April, 2020, by the following vote:

AYES, and in favor thereof, Trustees

NOES,

ABSENT,

Kendra Wong
Secretary, IVGID Board of Trustees

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra S. Winqest
Interim General Manager

FROM: Paul Navazio
Director of Finance

SUBJECT: Review, discuss and authorize Form 4404LGF as the IVGID 2020-21 "TENTATIVE" Budget for filing with the Nevada Department of Taxation by April 15, 2020, as required by Nevada Revised Statutes 354.596.

STRATEGIC PLAN: Long Range Principle #2 Finance – "Comply with State and Federal regulations" - "Develop and maintain a long term plan to sustain financial resources"

DATE: April 8, 2020

I. RECOMMENDATION

That the Board of Trustees makes a motion to authorize Staff to execute and file the Form 4404LGF as the Incline Village General Improvement District's "Tentative" budget for fiscal 2020-2021, for filing by April 15, 2020, as required by NRS 354.596.

II. DISTRICT STRATEGIC PLAN

"Prepare Annual Budgets that demonstrate the balance of allocated resources, with service expectations, and the capability to deliver."

"Comply with Nevada Revised Statutes and Administrative Code requirement for the budget process."

"Maintain the allocation of Facility Fee components for operations, debt service and capital expenditure, with prioritization for debt service, then capital asset replacement and last operations."

III. BACKGROUND

The State of Nevada dictates a process for approval of local government agency budgets which includes a requirement that each agency formally file a "Tentative Budget" by April 15th. This filing provides the Department of Taxation for a point-in-time review of the District's preliminary budget to ensure compliance with specific State requirements.

The tentative budget filing does not commit or restrict the District from modifying the budget prior to adoption of the final FY2020-21 Budget. As part of the ongoing budget process, the Board has scheduled a Budget Workshop on May 7th, followed by a Public Hearing and final budget adoption on May 27th. The District is required to file its Final Budget with the Department of Taxation no later than June 1, 2020.

For the purpose of meeting the April 15 deadline for filing of the Tentative Budget, staff has prepared the required forms and schedules consistent with the Preliminary Operating Budget presented to the Board at their meeting of March 11, 2020 and the Preliminary Operating Budget presented to the Board at their meeting of April 1, 2020.

Staff recognizes that there remains a number of outstanding budget issues that are pending further discussion with the Board prior to presenting a final budget for Board approval in late May. Chief among these is the need to review the budget in the context of the continuing COVID-19 pandemic which has, among other things, resulted in the temporary closure of all District venues and curtailed all but essential programs and services. The public health crisis is also expected to have broader impacts on our local economy and community which have the potential to significantly impact direct and indirect revenues relied upon to support District activities.

In addition, the Board has indicated an interest in discussing modifying selected areas of the budget in order to create increased budget flexibility in support of priority projects, with a focus on capital improvements funded through collection of Recreation Fees and utility rates.

Staff has prepared forms for the District's Tentative Operating Budget consistent with the Sources and Uses presented to the Board on March 11th. The Capital Budget information is derived from the information presented to the Board on April 1, and is provided again for reference via attachments to this Board memo.

IV. BUDGET CALENDAR

The Budget Calendar has also been attached for reference for the process to date.

IVGID 2020-2021 District Budget Calendar

(all dates are subject to change)

8-27-19	Strategic Plan for 2020-2022 started by Senior Team
9-6-19	Working 2020-2021 Budget is Open in Innoprise
9-12-19	Capital Projects Data Sheets and Process Started
10-24-19	Staff Budget kickoff
11-1-19	Target substantially completed with Ski Operating Budget
10-19 to 1-20	Staff prepares draft operating budget
10-19 to 2-20	Staff prepares updated Capital Improvement Project Summary for first 5 Years of proposed Data Sheets
11-7-19	Managers' report progress to date to GM
12-5-19	Managers' report progress to date to GM
Potential Workshop	Potential Board of Trustees approval of Strategic Plan
Item in April/May 2020	
12-13-19	Cutoff for identifying new CIP or Personnel Requests to the GM
1-28-20	Senior Team previews Long Term Capital Funding
2-12-20	Trustees set Budget and Rec Roll Hearing date as May 27, 2020
2-26-20	IVGID Utility Rate Study
2-26-20	Overall Operating Budget Preview and Strategy Introduction
3-6-20	2020/2021 preliminary operating information released on OpenGov.com
3-11-20	Board overview of Operating Budget
3-13-20	Release CIP 5 Year Summary Online (with Data Sheets)
By Appointment	Capital Improvement Projects Tour
4-1-20	Board review of 2020-2021 Capital Improvement Proposed Budget & Funding
4-14-20	Consider and Approve "Tentative" Budget Filing and Preliminary Rec Roll
4-14-20	Utility Rates (Ordinances 2 and 4) Public Hearing and Approval of Revised Ordinances
4-15-20	File "Tentative" Budget Form 4404LGF with State of NV
5-7-20	Board of Trustees BUDGET WORKSHOP (<i>added 4/1/20</i>)
5-27-20	Public Hearing on final proposed Rec Roll and 2020-2021 Fiscal Year Budget
6-1-20	File Final Budget Form 4404LGF with State of NV
6-30-20	Distribute Operating and CIP Budget Books
7-29-20	Review and Approve District Indebtedness Report including the Five Year Capital Improvement Project Summary and State Forms
8-15-20	Deadline to publish Form 4409 Summary Budget



INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
 893 Southwood Boulevard
 Incline Village Nevada, 89451

IVGID.ORG

Serving the communities of Incline Village and Crystal Bay, Nevada

Nevada Department of Taxation
 1550 College Parkway, Suite 115
 Carson City, NV 89706-7937

Incline Village General Improvement District _____ herewith submits the TENTATIVE budget for the fiscal year ending June 30, 2021

This budget contains 1 funds, including Debt Service, requiring property tax revenues totaling \$ 1,770,000

The property tax rates computed herein are based on preliminary data. If the final state computed revenue limitation permits, the tax rate will be increased by an amount not to exceed 0 If the final computation requires, the tax rate will be lowered.

This budget contains 3 governmental fund types with estimated expenditures of \$ 32,829,599 and 2 proprietary funds with estimated expenses of \$ 14,827,790

Copies of this budget have been filed for public record and inspection in the offices enumerated in NRS 354.596 (Local Government Budget and Finance Act).

CERTIFICATION

APPROVED BY THE GOVERNING BOARD:

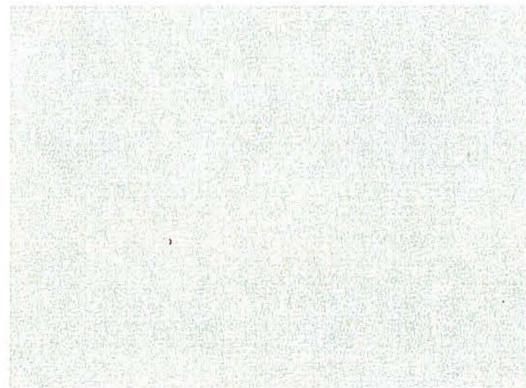
I Paul C. Navazio

 Director of Finance

certify that all applicable funds and financial operations of this Local Government are listed herein

Signed: _____

Dated: _____



SCHEDULED PUBLIC HEARING:
 (Must be held from May 18, 2020 to May 31, 2020 this year)

Date and Time: May 27, 2020

Publication Date: May 15 & May 22, 2020

Place: The Chateau, 955 Fairway Blvd, Incline Village, NV 89451

Page: 1
 Schedule 1

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
FISCAL YEAR BUDGET FO THE YEAR ENDING JUNE 30, 2021
INDEX**

Description	Schedule Reference	Page Number	
INTRODUCTION			
Letter of Transmittal	Schedule 1	1	
Index		2	
SUMMARY SCHEDULES			
Statistical Data	Schedule S-2	3	
Property Tax Rate Reconciliation	Schedule S-3	4	
Estimated Revenues & Other Resources - Governmental Fund Types	Schedule A	5	
Estimated Expenditures & Other Uses - Governmental Fund Types	Schedule A-1	6	
Proprietary Funds	Schedule A-2	7	
GOVERNMENTAL FUND TYPES			
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	Expenditures by Function and Activity	Schedule B-10	9
	Expenditures, Other Uses and Fund Balance	Schedule B-11	10
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Beach Fund	Revenues & Expenditures, and Fund Balance	Schedule B-14	13
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Community Services	Revenues & Expenditures, and Fund Balance	Schedule B-14	14
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Debt Service	(Inactive post June 30, 2019)		
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Transfer Reconciliation	Schedule T	25	
Lobbying Expense Estimate	Schedule 30	28	
Schedule of Existing Contracts	Schedule 31	29	
Schedule of Privatization Contracts	Schedule 32	30	

FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION

	ACTUAL PRIOR YEAR ENDING 06/30/19	ESTIMATED CURRENT YEAR ENDING 06/30/20	BUDGET YEAR ENDING 06/30/21
General Government	41.9	42.4	42.4
Judicial			
Public Safety			
Public Works			
Sanitation			
Health			
Welfare			
Culture and Recreation	193.8	199.1	199.1
Community Support			
TOTAL GENERAL GOVERNMENT	235.7	241.5	241.5
Utilities	34.6	34.2	34.2
Hospitals			
Transit Systems			
Airports			
Other			
TOTAL	270.3	275.7	275.7

POPULATION (AS OF JULY 1)	9087	9087	9087
SOURCE OF POPULATION ESTIMATE*	2010 Census	2010 Census	2010 Census
Assessed Valuation (Secured and Unsecured Only)	\$ 1,666,387,475	\$ 1,717,224,973	\$ 1,817,882,343
Net Proceeds of Mines			
TOTAL ASSESSED VALUE	\$ 1,666,387,475	\$ 1,717,224,973	\$ 1,817,882,343
TAX RATE			
General Fund	0.1224	0.1267	0.1311
Special Revenue Funds			
Capital Projects Funds			
Debt Service Funds			
Enterprise Fund			
Other			
TOTAL TAX RATE	0.1224	0.1267	0.1311

* Use the population certified by the state in March each year. Small districts may use a number developed per the instructions (page 6) or the best information available.

Incline Village General Improvement District

SCHEDULE S-2 - STATISTICAL DATA

PROPERTY TAX RATE AND REVENUE RECONCILIATION

Fiscal Year 2020-2021

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	ALLOWED TAX RATE	ASSESSED VALUATION	ALLOWED AD VALOREM REVENUE [(1) X (2)/100]	TAX RATE LEVIED	TOTAL AD VALOREM REVENUE WITH NO CAP [(2, line A)X(4)/100]	AD VALOREM TAX ABATEMENT [(5) - (7)]	AD VALOREM REVENUE WITH CAP
OPERATING RATE: A. PROPERTY TAX Subject to Revenue Limitations	0.1172	1,817,882,343	2,130,558	0.1172	2,130,558	548,224	1,582,334
B. PROPERTY TAX Outside Revenue Limitations: Net Proceeds of Mines					XXXXXXXXXXXXXXXXXXXX		
VOTER APPROVED: C. Voter Approved Overrides							
LEGISLATIVE OVERRIDES D. Accident Indigent (NRS 428.185)							
E. Indigent (NRS 428.285)							
F. Capital Acquisition (NRS 354.59815)							
G. Youth Services Levy (NRS 62B.150, 62B.160)							
H. Legislative Overrides							
I. SCCRT Loss (NRS 354.59813)							
J. Other:							
K. Other:							
L. SUBTOTAL LEGISLATIVE OVERRIDES	0.0139	1,817,882,343	252,686	0.0139	252,686	65,020	187,666
M. SUBTOTAL A, C, L							
N. Debt							
O. TOTAL M AND N	0.1311	\$ 1,817,882,343	\$ 2,383,244	0.1311	\$ 2,383,244	\$ 613,244	\$ 1,770,000

Incline Village General Improvement District

SCHEDULE S-3 - PROPERTY TAX RATE
AND REVENUE RECONCILIATION

The Allowed Revenue required for column 3 can be obtained from the March 15 Final Revenue Projections or manually calculated. If an entity chooses to budget for an amount in column 5 which is lower or higher than the amount produced by the formula, please attach an explanation.

EXPENDITURES BY FUNCTION AND ACTIVITY	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/21	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE APPROVED	FINAL APPROVED
GENERAL GOVERNMENT				
General Administration				
Salaries and Wages	40,757	29,100	29,967	
Employee Benefits	17,980	18,700	20,311	
Services and Supplies	524,466	420,000	434,718	
Subtotal General Administration	583,203	467,800	484,996	-
General Manager				
Salaries and Wages	244,421	270,000	265,714	
Employee Benefits	105,047	115,000	115,751	
Services and Supplies	69,361	60,000	56,340	
Subtotal General Manager	418,829	445,000	437,805	-
Trustees				
Salaries and Wages	102,992	104,000	106,114	
Employee Benefits	27,822	32,400	32,904	
Services and Supplies	45,068	45,000	77,000	
Subtotal Trustees	175,882	181,400	216,018	-
Accounting				
Salaries and Wages	572,025	592,500	611,635	
Employee Benefits	252,081	275,000	323,754	
Services and Supplies	60,134	70,000	77,636	
Subtotal Accounting	884,240	937,500	1,013,025	-
Information Services & Technology				
Salaries and Wages	426,004	484,000	494,412	
Employee Benefits	191,122	250,000	288,096	
Services and Supplies	211,242	300,000	360,817	
Subtotal Information Services	828,368	1,034,000	1,143,325	-
Risk Management				
Salaries and Wages	81,841	-	-	-
Employee Benefits	40,039	-	-	-
Services and Supplies	15,139	-	-	-
Subtotal Risk Management	137,019	-	-	-
Human Resources				
Salaries and Wages	431,911	532,600	551,976	
Employee Benefits	203,821	304,000	304,561	
Services and Supplies	46,662	115,000	129,196	
Subtotal Human Resources	682,394	951,600	985,733	-
Health & Wellness				
Salaries and Wages	18,446	16,500	16,496	
Employee Benefits	5,875	6,900	9,274	
Services and Supplies	4,495	5,000	21,475	
Subtotal Health & Wellness	28,816	28,400	47,245	-
Communications				
Salaries and Wages	95,076	96,300	91,868	
Employee Benefits	43,559	48,000	54,803	
Services and Supplies	55,763	84,000	131,518	
Subtotal Communications	194,398	228,300	278,189	-
Capital Outlay				
General Government	64,972	340,000	370,150	
Information Services & Technology	56,285			
Subtotal Capital Outlay	121,257	340,000	370,150	-
FUNCTION SUBTOTAL	4,054,406	4,614,000	4,976,486	-

Incline Village General Improvement District

SCHEDULE B - GENERAL FUND

General Government

EXPENDITURES BY FUNCTION AND ACTIVITY	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/21	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE APPROVED	FINAL APPROVED
PAGE FUNCTION SUMMARY				
General Government Summary				
Salaries and Wages	2,013,473	2,125,000	2,168,182	-
Employee Benefits	887,346	1,050,000	1,149,454	-
Services and Supplies	1,032,330	1,099,000	1,288,700	-
Capital Outlay	121,257	340,000	370,150	-
Sch B-10 Function Subtotal	4,054,406	4,614,000	4,976,486	-
TOTAL EXPENDITURES - ALL FUNCTIONS	4,054,406	4,614,000	4,976,486	-
OTHER USES:				
CONTINGENCY (Not to exceed 3% of Total Expenditures all Functions)				
Transfers Out (Schedule T)	800,000	300,000		
TOTAL EXPENDITURES AND OTHER USE	4,854,406	4,914,000	4,976,486	-
ENDING FUND BALANCE:	3,765,586	3,935,986	4,089,740	-
TOTAL GENERAL FUND COMMITMENTS AND FUND BALANCE	12,674,398	8,849,986	9,066,226	-

Incline Village General Improvement District

SCHEDULE B - GENERAL FUND

SCHEDULE B SUMMARY - EXPENDITURES, OTHER USES AND FUND BALANCE

GENERAL FUND - ALL FUNCTIONS

REVENUES	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/21	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE APPROVED	FINAL APPROVED
Charges for Services				
Championship Golf Course	3,902,689	4,570,000	5,071,084	
Mountain Golf Course	740,968	615,000	922,166	
Facilities (Chateau & Aspen Grove)	392,246	450,000	529,421	
Ski	11,778,871	10,025,000	10,148,735	
Community Programming	1,364,044	1,320,000	1,364,897	
Parks	46,580	53,000	65,801	
Tennis	153,435	156,000	158,100	
Recreation Administration	(730,819)	(750,000)	(738,000)	
Subtotal Charges for Services	17,648,014	16,439,000	17,522,204	-
Facility Fee				
Championship Golf Course	805,884	172,000	32,808	
Mountain Golf Course	517,661	328,120	221,454	
Facilities (Chateau & Aspen Grove)	468,584	131,248	41,010	
Ski	238,403	(1,640,600)	(1,640,400)	
Community Programming	1,307,104	1,173,029	1,222,098	
Parks	970,052	730,067	729,978	
Tennis	164,416	114,842	114,828	
Recreation Administration	1,350,671	4,773,996	5,060,634	
Subtotal Facility Fees	5,822,775	5,782,702	5,782,410	-
Other miscellaneous				
Operating Grants	17,000	17,000	17,000	
Investment income	199,322	79,000	52,500	
Sale of Assets	34,567	24,000		
Interfund services (green spaces)	86,060	88,000	99,911	
Intergovernmental (IV high school fields)	14,570	23,000	21,700	
Miscellaneous other & Cell Tower Leases	112,777	110,000	118,130	
Capital Grants	-	1,375,000	-	
Insurance proceeds	50,300	250,000	-	
Subtotal Other Miscellaneous	514,596	1,966,000	309,241	-
Subtotal	23,985,385	24,187,702	23,613,855	-
OTHER FINANCING SOURCES (specify)				
Transfers In (Schedule T)	645,000	241,875		
BEGINNING FUND BALANCE	10,645,469	13,333,953	12,360,444	
Prior Period Adjustments	(645,000)			
Residual Equity Transfers				
TOTAL BEGINNING FUND BALANCE	10,000,469	13,333,953	12,360,444	-
TOTAL AVAILABLE RESOURCES	34,630,854	37,763,530	35,974,299	-

Incline Village General Improvement District

Community Services Special Revenue Fund

EXPENDITURES	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/21	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE APPROVED	FINAL APPROVED
Championship Golf Course				
Salaries and Wages	1,509,876	1,635,000	1,739,948	
Employee Benefits	383,157	470,000	524,010	
Services and Supplies	2,392,390	2,591,800	2,835,820	
Capital Outlay	-	568,200	1,637,000	
Subtotal Championship Golf Course	4,285,423	5,265,000	6,736,778	-
Mountain Golf Course				
Salaries and Wages	340,012	355,000	432,056	
Employee Benefits	93,523	103,000	119,791	
Services and Supplies	526,907	562,000	629,239	
Capital Outlay	-	2,188,200	395,791	
Subtotal Mountain Golf Course	960,442	3,208,200	1,576,877	-
Facilities (Chateau and Aspen Grove)				
Salaries and Wages	76,190	85,000	88,583	
Employee Benefits	37,739	41,000	47,500	
Services and Supplies	368,598	412,840	429,908	
Capital Outlay	-	180,400	100,000	
Subtotal Facilities	482,527	719,240	665,991	-
Ski				
Salaries and Wages	3,072,710	2,970,000	3,135,849	
Employee Benefits	925,074	980,000	1,050,665	
Services and Supplies	3,833,164	3,600,100	3,868,386	
Capital Outlay	-	1,640,850	1,614,000	
Subtotal Ski	7,830,948	9,190,950	9,668,900	-
Community Programming (Including Rec Center)				
Salaries and Wages	1,156,579	1,210,000	1,260,756	
Employee Benefits	321,005	355,000	394,888	
Services and Supplies	819,388	932,300	948,388	
Capital Outlay	-	344,650	489,000	
Subtotal Community Programming	2,296,972	2,841,950	3,093,032	-
Parks				
Salaries and Wages	337,927	338,000	342,681	
Employee Benefits	75,544	75,000	86,061	
Services and Supplies	401,968	354,800	459,377	
Capital Outlay	-	2,158,752	172,440	
Subtotal Parks	815,439	2,926,552	1,060,559	-
Tennis				
Salaries and Wages	136,149	135,000	128,372	
Employee Benefits	26,172	26,000	29,635	
Services and Supplies	91,223	101,490	105,270	
Capital Outlay	-	201,950	1,210,600	
Subtotal Tennis	253,544	464,440	1,473,877	-
Community Services Administration				
Salaries and Wages	153,065	170,000	181,948	
Employee Benefits	43,445	55,000	70,030	
Services and Supplies	166,775	177,400	208,972	
Capital Outlay	-	-	90,000	
Subtotal Comm. Serv. Administration	363,285	402,400	550,950	-
Debt Service - G.O. Revenue Supported Bond				
Principal	-	355,188	362,075	
Interest	-	29,166	21,097	
Subtotal Debt Service	-	384,354	383,172	-
Subtotal - Comm. Services Expenditures	17,288,580	25,403,086	25,210,136	-
Transfers Out	3,678,473			
Transfers Out	329,848			
ENDING FUND BALANCE	13,333,953	12,360,444	10,764,163	-
TOTAL COMMITMENTS & FUND BALANCE	34,630,854	37,763,530	35,974,299	-

Incline Village General Improvement District

Community Services Special Revenue Fund

REVENUES	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/21	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE APPROVED	FINAL APPROVED
Charges for Services	1,492,687	1,550,000	1,596,800	
Facility Fees	975,121	968,500	968,375	
Investment income	36,188	18,000	11,250	
Sales of capital assets	-			
Capital Grants	-			
Subtotal	2,503,996	2,536,500	2,576,425	-
OTHER FINANCING SOURCES:				
Operating Transfers In (Schedule 1)	35,000	13,125	-	
BEGINNING FUND BALANCE	1,413,091			
Prior Period Adjustment(s)	(35,000)			
Residual Equity Transfers				
TOTAL BEGINNING FUND BALANCE	1,378,091	1,810,378	2,159,262	-
TOTAL RESOURCES	3,917,087	4,360,003	4,735,687	-
EXPENDITURES				
Salaries and Wages	847,293	870,000	933,632	
Employee Benefits	190,452	210,000	241,006	
Services and Supplies	868,771	914,500	987,569	
Capital Outlay	-	200,000	474,500	
Debt Service - G.O. Revenue Supported Bond				
Principal	-	5,812	5,925	
Interest	-	429	345	
Subtotal	1,906,516	2,200,741	2,642,977	-
OTHER USES				
CONTINGENCY (not to exceed 3% of total expenditures)				
Transfers Out (Schedule 1)	198,558	-		
Transfers Out (Schedule 1)	1,635	-		
ENDING FUND BALANCE	1,810,378	2,159,262	2,092,710	-
TOTAL COMMITMENTS & FUND BALANCE	3,917,087	4,360,003	4,735,687	-

Incline Village General Improvement District

Beach Special Revenue Fund

REVENUES	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/21	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE APPROVED	FINAL APPROVED
Sale of assets	5,592			
Capital Grants	31,958			
Subtotal	37,550	-	-	-
OTHER FINANCING SOURCES:				
Operating Transfers In (Schedule T)				
Transfers designated from Facility Fees	2,508,528			
Transfers from operating resources	1,169,945			
BEGINNING FUND BALANCE				
Prior Period Adjustment(s)				
Residual Equity Transfers				
TOTAL BEGINNING FUND BALANCE	2,327,477			
TOTAL RESOURCES	6,043,500	-	-	-
EXPENDITURES				
Championship Golf - New Projects	450,219			
- Carryover Projects	47,158			
Mountain Golf - New Projects	202,180			
- Carryover Projects	135,969			
Facilities - New Projects	21,406			
- Carryover Projects	-			
Ski - New Projects	3,801,573			
- Master Plan	-			
- Carryover Projects	737,454			
Comm. Programming - New Projects	133,838			
- Carryover Projects	126,080			
Parks - New Projects	135,199			
- Carryover Projects	6,842			
Tennis - New Projects	54,180			
- Carryover Projects	50,000			
Comm. Services Admin - New Projects	4,180			
- Carryover Projects	137,222			
Subtotal	6,043,500	-	-	-
OTHER USES				
CONTINGENCY (not to exceed 3% of total expenditures)				
Transfers Out (Schedule T)				
ENDING FUND BALANCE	-	No Fund Activity Post June 30, 2019		
TOTAL COMMITMENTS & FUND BALANCE	6,043,500	-	-	-

Incline Village General Improvement District

Community Services Capital Projects Fund

EXPENDITURES AND RESERVES	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/21	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE APPROVED	FINAL APPROVED
Type: G.O. Revenue Supported				
Principal	344,365			
Interest	37,036			
Fiscal Agent Charges				
Reserves - increase or (decrease)				
Other (Specify)				
Subtotal	381,401	-	-	-
TOTAL RESERVED (MEMO ONLY)				
Type:				
Principal				
Interest				
Fiscal Agent Charges				
Reserves - increase or (decrease)				
Other (Specify)				
Subtotal				
TOTAL RESERVED (MEMO ONLY)				
Type:				
Principal				
Interest				
Fiscal Agent Charges				
Reserves - increase or (decrease)				
Other (Specify)				
Subtotal				
TOTAL RESERVED (MEMO ONLY)				
Type:				
Principal				
Interest				
Fiscal Agent Charges				
Reserves - increase or (decrease)				
Other (Specify)				
Subtotal				
TOTAL RESERVED (MEMO ONLY)				
ENDING FUND BALANCE	-			
TOTAL COMMITMENTS & FUND BALANCE	381,401	No Fund Activity Post June 30, 2019	-	-

Incline Village General Improvement District

SCHEDULE C - COMMUNITY SERVICES DEBT SERVICE FUND

THE ABOVE DEBT IS REPAYED BY OPERATING RESOURCES

EXPENDITURES AND RESERVES	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/21	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE APPROVED	FINAL APPROVED
Type: G.O. Revenue Supported				
Principal	5,635			
Interest	606			
Fiscal Agent Charges				
Reserves - increase or (decrease)				
Other (Specify)				
Subtotal	6,241	-	-	-
TOTAL RESERVED (MEMO ONLY)				
Type:				
Principal				
Interest				
Fiscal Agent Charges				
Reserves - increase or (decrease)				
Other (Specify)				
Subtotal				
TOTAL RESERVED (MEMO ONLY)				
Type:				
Principal				
Interest				
Fiscal Agent Charges				
Reserves - increase or (decrease)				
Other (Specify)				
Subtotal				
TOTAL RESERVED (MEMO ONLY)				
Type:				
Principal				
Interest				
Fiscal Agent Charges				
Reserves - increase or (decrease)				
Other (Specify)				
Subtotal				
TOTAL RESERVED (MEMO ONLY)				
ENDING FUND BALANCE				
TOTAL COMMITMENTS & FUND BALANCE	6,241	No Fund Activity Post June 30, 2019	-	-

Incline Village General Improvement District

SCHEDULE C - BEACH DEBT SERVICE FUND

THE ABOVE DEBT IS REPAYED BY OPERATING RESOURCES

PROPRIETARY FUND	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/21	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE APPROVED	FINAL APPROVED
OPERATING REVENUE				
Charges for Services	12,552,028	12,500,000	13,072,588	
Operating Grants	1,440	-	31,000	
Intergovernmental (Tahoe Water Suppliers Assoc)	121,861			
Interfund (snow removal & work orders)	111,853	180,000	241,400	
Total Operating Revenue	12,787,182	12,680,000	13,344,988	-
OPERATING EXPENSE				
Salaries & Wages	2,632,951	2,760,000	2,869,080	
Employee Benefits	1,288,413	1,320,000	1,424,516	
Services & Supplies	2,003,301	2,181,000	2,071,445	
Utilities	862,768	925,000	932,594	
Legal & Audit/Professional Fees	78,295	140,000	132,050	
Central Services Cost	308,600	353,700	380,580	
Defensible Space	100,000	100,000	100,000	
Depreciation/Amortization	3,153,809	3,310,000	3,485,000	
Total Operating Expense	10,428,137	11,089,700	11,395,265	-
Operating Income or (Loss)	2,359,045	1,590,300	1,949,723	-
NONOPERATING REVENUES				
Interest Earned	282,484	165,000	148,500	
Property Taxes				
Subsidies				
Consolidated Tax				
Capital Grants				
Sales of capital assets	15,066	5,000	-	
Total Nonoperating Revenues	297,550	170,000	148,500	-
NONOPERATING EXPENSES				
Interest Expense	126,351	119,000	104,428	
Total Nonoperating Expenses	126,351	119,000	104,428	-
Net Income before Operating Transfers	2,530,244	1,641,300	1,993,795	-
Transfers (Schedule T)				
In	120,000	45,000	-	
Out			-	
Net Operating Transfers	120,000	45,000	-	-
CHANGE IN NET POSITION	2,650,244	1,686,300	1,993,795	-

Incline Village General Improvement District

SCHEDULE F-1 REVENUES, EXPENSES AND NET POSITION

Utility Fund

PROPRIETARY FUND	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/21	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE APPROVED	FINAL APPROVED
A. CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users	12,264,273	12,500,000	13,072,588	-
Receipts from intergovernmental services	-	-	-	-
Receipts from interfund services	111,853	180,000	241,400	-
Receipts from operating grants	1,440	-	31,000	-
Payments to and for employees	(3,930,319)	(4,080,000)	(4,293,596)	-
Payments to vendors	(3,463,230)	(3,699,700)	(3,616,669)	-
Payments for interfund services				
a. Net cash provided by (or used for) operating activities	4,984,017	4,900,300	5,434,723	-
B. CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfer in from General Fund	-	45,000	-	-
b. Net cash provided by (or used for) noncapital financing activities	-	45,000	-	-
C. CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of capital assets	(2,816,092)	(3,516,400)	(12,383,500)	-
Proceeds from sale of assets	15,066	5,000	-	-
Payments of capital related debt	(509,678)	(523,988)	(538,707)	-
Capital contributions	114,787			
Payment of interest	(133,456)	(119,146)	(104,428)	-
c. Net cash provided by (or used for) capital and related financing activities	(3,329,373)	(4,154,534)	(13,026,635)	-
D. CASH FLOWS FROM INVESTING ACTIVITIES:				
Restricted investments released (increased)	(7,267)	-	-	-
Investments purchased	(4,500,000)	(2,500,000)		
Investments sold or matured	255,939	2,000,000	5,000,000	
Investment earnings	198,470	165,000	148,500	-
d. Net cash provided by (or used in) investing activities	(4,052,858)	(335,000)	5,148,500	-
NET INCREASE (DECREASE) in cash and cash equivalents (a+b+c+d)	(2,398,214)	455,766	(2,443,412)	-
CASH AND CASH EQUIVALENTS AT JULY 1, 20xx	6,764,416	4,366,202	4,821,968	
CASH AND CASH EQUIVALENTS AT JUNE 30, 20xx	4,366,202	4,821,968	2,378,556	-

___ Incline Village General Improvement District

SCHEDULE F-2 STATEMENT OF CASH FLOWS

Utility Fund

PROPRIETARY FUND	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/21	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE APPROVED	FINAL APPROVED
OPERATING REVENUE				
Charges for services				
Interfund:				
Fleet Services	1,155,513	1,155,000	1,238,140	
Engineering	620,810	825,000	949,500	
Building Services	1,023,990	1,090,000	1,133,996	
Workers Compensation	504,549	-	-	-
Total Operating Revenue	3,304,862	3,070,000	3,321,636	-
OPERATING EXPENSE				
Salaries & Wages	1,282,090	1,470,000	1,552,215	
Employee Benefits	617,824	710,000	844,240	
Services & Supplies	1,383,194	872,000	896,822	
Utilities	10,838	11,500	11,520	
Professional Fees	-	5,000	9,000	
Depreciation	12,561	13,560	14,300	
Total Operating Expense	3,306,507	3,082,060	3,328,097	-
Operating Income or (Loss)	(1,645)	(12,060)	(6,461)	-
NONOPERATING REVENUES				
Interest Earned	360	-	-	
Property Taxes				
Subsidies				
Consolidated Tax				
Capital Grants				
Sales of capital assets				
Total Nonoperating Revenues	360	-	-	-
NONOPERATING EXPENSES				
Interest Expense				
Total Nonoperating Expenses	-	-	-	-
Net Income before Operating Transfers	(1,285)	(12,060)	(6,461)	-
Transfers (Schedule T)				
In				
Out	(474,356)	-	-	-
Net Operating Transfers	(474,356)	-	-	-
CHANGE IN NET POSITION	(475,641)	(12,060)	(6,461)	-

Incline Village General Improvement District

SCHEDULE F-1 REVENUES, EXPENSES AND NET POSITION

Internal Services Fund

PROPRIETARY FUND	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/21	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE APPROVED	FINAL APPROVED
A. CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users				
Receipts from Interfund services provided	3,304,862	3,070,000	3,321,636	-
Payment to and for employees	(1,790,450)	(2,180,000)	(2,396,455)	-
Payments to vendors	(1,526,271)	(888,500)	(917,342)	-
Final payments on Work Comp Liabilities				
a. Net cash provided by (or used for) operating activities	(11,859)	1,500	7,839	-
B. CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Operating Transfers from Work Comp	(300,000)	-	-	-
Residual Equity Transfer - close Work Comp	(174,356)	-	-	-
b. Net cash provided by (or used for) noncapital financing activities	(474,356)	-	-	-
C. CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of capital assets	-	-	(5,000)	-
Sale of capital assets	-	-	-	-
c. Net cash provided by (or used for) capital and related financing activities	-	-	(5,000)	-
D. CASH FLOWS FROM INVESTING ACTIVITIES:				
Restricted investments released (increased)	103,880	-	-	-
Investments Purchased	-	-	-	-
Investments matured or sold	-	-	-	-
Investment earnings	360	-	-	-
d. Net cash provided by (or used in) investing activities	104,240	-	-	-
NET INCREASE (DECREASE) in cash and cash equivalents (a+b+c+d)	(381,975)	1,500	2,839	-
CASH AND CASH EQUIVALENTS AT JULY 1, 20xx	817,812	435,837	437,337	-
CASH AND CASH EQUIVALENTS AT JUNE 30, 20xx	435,837	437,337	440,176	-

___ Incline Village General Improvement District

SCHEDULE F-2 STATEMENT OF CASH FLOWS

Internal Services Fund

ALL EXISTING OR PROPOSED
GENERAL OBLIGATION BONDS, REVENUE BONDS,
MEDIUM-TERM FINANCING, CAPITAL LEASES AND
SPECIAL ASSESSMENT BONDS

* - Type
1 - General Obligation Bonds
2 - G.O. Revenue Supported Bonds
3 - G.O. Special Assessment Bonds
4 - Revenue Bonds
5 - Medium-Term Financing

6 - Medium-Term Financing - Lease Purchase
7 - Capital Leases
8 - Special Assessment Bonds
9 - Mortgages
10 - Other (Specify Type)
11 - Proposed (Specify Type)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9) REQUIREMENTS FOR FISCAL YEAR ENDING 06/30/21		(10)	(11)
NAME OF BOND OR LOAN List and Subtotal By Fund	*	TERM	ORIGINAL AMOUNT OF ISSUE	ISSUE DATE	FINAL PAYMENT DATE	INTEREST RATE	BEGINNING OUTSTANDING BALANCE 7/1/2020	INTEREST PAYABLE	PRINCIPAL PAYABLE	(9)+(10)	TOTAL
COMMUNITY SERVICES & BEACH FUNDS							\$	\$	\$		\$
Recreation Facilities and Recreation Refunding - 2012	2	10	\$ 3,475,000	7/18/2012	9/1/2022	2.25%	\$	\$	\$		\$
2012 Bond - 98.39% Community Services Fund	2						\$ 1,118,694	\$ 21,097	\$ 362,075	\$	\$ 383,172
							\$	\$	\$		\$
2012 Bond - 1.61% Beach Fund	2						\$ 18,306	\$ 345	\$ 5,925	\$	\$ 6,270
							\$	\$	\$		\$
UTILITY FUND							\$	\$	\$		\$
St of NV Sewer C32-0204	4	20	\$ 1,720,380	10/28/2002	1/1/2023	3.14375%	\$ 365,370	\$ 10,566	\$ 118,012	\$	\$ 128,578
St of NV Water IVGID-1	4	20	\$ 1,687,282	9/9/2004	7/1/2025	3.082%	\$ 570,931	\$ 16,856	\$ 96,792	\$	\$ 113,648
St of NV Sewer CS32-0404	2	20	\$ 3,000,000	8/1/2006	1/1/2026	2.725%	\$ 1,141,608	\$ 29,907	\$ 177,630	\$	\$ 207,537
St of NV Water DW-1201	2	20	\$ 3,000,000	3/16/2012	1/1/2032	2.39%	\$ 2,007,029	\$ 47,099	\$ 146,273	\$	\$ 193,372
Total for the Utility Fund							\$	\$	\$		\$
							\$	\$	\$		\$
							\$	\$	\$		\$
							\$	\$	\$		\$
TOTAL ALL DEBT SERVICE							\$ 5,221,938	\$ 125,870	\$ 906,707	\$	\$ 1,032,577

SCHEDULE C-1 - INDEBTEDNESS

Incline Village General Improvement District Budget Fiscal Year 2020-2021

Transfer Schedule for Fiscal Year 2020-2021

TRANSFERS IN			TRANSFERS OUT			
FUND TYPE	FROM FUND	PAGE	AMOUNT	TO FUND	PAGE	AMOUNT
GENERAL FUND						
SUBTOTAL			None			
SPECIAL REVENUE FUNDS						
SUBTOTAL			None			None

Incline Village General Improvement District

SCHEDULE T - TRANSFER RECONCILIATION

TRANSFERS IN				TRANSFERS OUT		
FUND TYPE	FROM FUND	PAGE	AMOUNT	TO FUND	PAGE	AMOUNT
CAPITAL PROJECTS FUND						
SUBTOTAL			None			None
EXPENDABLE TRUST FUNDS						
SUBTOTAL			None			None
DEBT SERVICE						
SUBTOTAL			None			None

Incline Village General Improvement District _____

SCHEDULE T - TRANSFER RECONCILIATION

TRANSFERS IN				TRANSFERS OUT		
FUND TYPE	FROM FUND	PAGE	AMOUNT	TO FUND	PAGE	AMOUNT
ENTERPRISE FUNDS						
SUBTOTAL			None			None
INTERNAL SERVICE						
SUBTOTAL			None			None
RESIDUAL EQUITY TRANSFERS						
SUBTOTAL			None			None
TOTAL TRANSFERS			None			None

Incline Village General Improvement District

LOBBYING EXPENSE ESTIMATE

Pursuant to NRS 354.600 (3), **each** (emphasis added) local government budget must obtain a separate statement of anticipated expenses relating to activities designed to influence the passage or defeat of legislation in an upcoming legislative session.

Nevada Legislature: 81st Session; February 1, 2021 to May 31, 2021

1. Activity:	<u>Legislative Advocay</u>	
2. Funding Source:	<u>General Fund Revenue</u>	
3. Transportation		\$ _____
4. Lodging and meals		\$ _____
5. Salaries and Wages		\$ _____
6. Compensation to lobbyists		\$ <u>24,000</u>
7. Entertainment		\$ _____
8. Supplies, equipment & facilities; other personnel and services spent in Carson City		\$ <u>1,200</u>
Total		\$ <u><u>25,200</u></u>

Entity: Incline Village General Improvement District

Budget Year 2020-2021

Page: 28
Schedule 30

SCHEDULE OF EXISTING CONTRACTS
Budget Year 2020 - 2021

Local Government: Incline Village General Improvement District
Contact: Paul C Navazio
E-mail Address: pcn@ivgid.org
Daytime Telephone: 775-832-1365

Total Number of Existing Contracts: 15

Line	Vendor	Effective Date of Contract	Termination Date of Contract	Proposed Expenditure FY 2020-21	Proposed Expenditure FY 2021-22	Reason or need for contract:
1	Eide Bailly, LLP	7/1/2015	6/30/2020	58,500	TBD	Annual Financial Audit
2	Hutchison & Steffen	3/1/2019	2/28/2022	144,000	144,000	Legal Counsel
3	Marcus G. Faust, PC	5/1/2019	4/30/2022	65,000	65,000	Federal Legislative Advocate
4	Tri-Strategies Ltd	7/1/2020	6/30/2021	24,000	-	Local Government Legislative Advocate
5	CC Cleaning, LLC	10/31/2019	1 yr, plus 4 options	106,340	111,000	Cleaning Services for District venues
6	Wells Fargo Banking Services	7/1/2018	6/30/2021	36,000	36,000	Bank account fees before earnings allowance
7	Provider yet TBD	One time contract		50,000	-	Tahoe Water Suppliers' Water Quality Treatment Services Analysis
8	High Sierra Patrol	10/1/2017	9/30/2021	75,000	77,500	Security Services
9	Sierra Office Solutions	4/1/2018	Annual Renewal	TBD	TBD	LAN, Network, and Desktop Copier Supplies and Maintenance
10	EXL Media Corporation	7/1/2020	6/30/2021	65,000	TBD	Advertising Media Buyer Services
11	AT&T Ethernet	6/29/2015	12/31/2020	28,560	TBD	Ethernet Provider
12	Xerox	1/1/2018	12/31/2020	6,225	TBD	Contract Support for Admin Copier
13	Sierra Office Solutions	1/1/2018	12/31/2020	2,238	TBD	Contract Support for PW Copier
14	ALSCO	7/7/2018	6/30/2022	63,000	63,000	Joinder Contract to St of NV for linen services
15	AT&T High Volume Long Distance	4/1/2019	3/31/2021	3,000	TBD	Long Distance calls
16						
17						
18						
19						
20	Total Proposed Expenditures			726,863	496,500	

Additional Explanations (Reference Line Number and Vendor):

SCHEDULE OF PRIVATIZATION CONTRACTS

Budget Year 2020 - 2021

Local Government: Incline Village General Improvement District

Contact: Paul C. Navazio

E-mail Address: pcn@ivgid.org

Daytime Telephone: 775-832-1365

Total Number of Privatization Contracts: 5

Line	Vendor	Effective Date of Contract	Termination Date of Contract	Duration (Months/ Years)	Proposed Expenditure FY 2020-21	Proposed Expenditure FY 2021-22	Position Class or Grade	Number of FTEs employed by Position Class or Grade	Equivalent hourly wage of FTEs by Position Class or Grade	Reason or need for contract:
1	Incline Spirits, Inc.	5/11/2011	9/30/2022		\$ -	\$ -		2	\$12	District is paid a fee to operate concession
2	Sand Harbor Water Sports LLC	5/15/2019	9/3/2021		\$ -	\$ -		No Staff displaced		District is paid a fee to operate concession
3	Massage Therapist		Fiscal Year		\$ 14,000	\$ -		0.5		Licensed Prof.
4	Umpires		Fiscal Year		\$ 2,800	\$ -		0.09		Contract with Assoc.
5	Art Instructor		Fiscal Year		\$ 1,800	\$ -		0.06		Infrequent schedule
6										
7										
8	Total				\$ 18,600	\$ -		2.65		

Attach additional sheets if necessary.

IVGID Executive Summary based on Form 4404LGF
As of 3/16/2020

FYE June 30, 2021

Fund and Function Budgeted Sources and Uses

IVGID	General Fund	Community Services	Beach Fund	Total Governmental	Utilities Fund	Internal Services	Total Proprietary	Budgeted	
								2020-21 All Funds Summary	2019-20 All Funds Summary
Operating Activities:									
Revenues:									
Ad Valorem & Property Tax	\$ 1,770,000	\$ -	\$ -	\$ 1,770,000	\$ -	\$ -	\$ -	\$ 1,770,000	\$ 1,697,807
Consolidated Tax	1,755,000			1,755,000				1,755,000	1,751,692
Charges for Services		17,522,204	1,596,800	19,119,004	13,072,588		13,072,588	32,191,592	29,588,263
Recreation Facility Fees		1,763,430	658,495	2,421,925				2,421,925	2,709,330
Intergovernmental & Grants		38,700		38,700	31,000		31,000	69,700	40,400
Interfund	1,471,440	99,911		1,571,351	241,400	3,321,636	3,563,036	5,134,387	4,762,317
Miscellaneous	2,400	118,130		120,530				120,530	112,761
Investments	131,400	52,500	11,250	195,150	148,500		148,500	343,650	467,000
Total Operating Sources	5,130,240	19,594,875	2,266,545	26,991,660	13,493,488	3,321,636	16,815,124	43,806,784	41,129,570
Expenditures by Function:									
General Government									
Operations	4,606,336			4,606,336		3,329,097	3,329,097	7,935,433	7,558,041
Utilities									
Operations				-	8,114,145		8,114,145	8,114,145	7,845,217
Recreation:									
Championship Golf		5,099,456		5,099,456			-	5,099,456	4,703,639
Mountain Golf		1,181,086		1,181,086			-	1,181,086	1,027,877
Facilities		565,991		565,991			-	565,991	549,035
Ski		8,054,900		8,054,900			-	8,054,900	7,565,368
Recreation Center		2,604,032		2,604,032			-	2,604,032	2,475,123
Recreation Admin		460,950		460,950			-	460,950	444,071
Parks		888,119		888,119			-	888,119	891,279
Tennis		263,277		263,277			-	263,277	270,423
Beach			2,162,207	2,162,207			-	2,162,207	2,109,190
Total Operating Expenditures	4,606,336	19,117,811	2,162,207	25,886,354	8,114,145	3,329,097	11,443,242	37,329,596	35,439,263
Net Operating Sources & Uses	\$ 523,904	\$ 477,064	\$ 104,338	\$ 1,105,306	\$ 5,379,343	\$ (7,461)	\$ 5,371,882	\$ 6,477,188	\$ 5,690,307
Non-Operating Activities:									
Capital Grants & Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 923,800
Facility Fees - Capital Projects		3,608,880	302,133	3,911,013				3,911,013	3,624,387
Facility Fees - Debt Service		410,100	7,747	417,847				417,847	417,898
Use of Fund Balance for Projects		200,000	50,000	250,000	450,000		450,000	700,000	7,027,765
Capital Project Expenditures	(370,150)	(3,792,040)	(454,500)	(4,616,690)	(5,186,500)	(5,000)	(5,191,500)	(9,808,190)	(16,424,397)
Debt Service Payments		(383,172)	(6,270)	(389,442)	(643,134)		(643,134)	(1,032,576)	(1,033,777)
Net Non-Operating Sources & Uses	(370,150)	43,768	(100,890)	(427,272)	(5,379,634)	(5,000)	(5,384,634)	(5,811,906)	(5,464,324)
Overall Net Sources & Uses	\$ 153,754	\$ 520,832	\$ 3,448	\$ 678,034	\$ (291)	\$ (12,461)	\$ (12,752)	\$ 665,282	\$ 225,983

Incline Village General Improvement District	Capital Improvement Projects Report to the Board of Trustees				PROPOSED For the Year Ending June 30, 2021				3/13/2020
	PROJECT #	Original Budget	Prior Year Carry Forward	Current Year Proposed	Projects Cancelled	Adjustments	Reallocation	Carry Over to next year	Form 4404 Budgeted Expenditures
General Fund:									
IT Master Plan - IT Security Devices	1213CE1101	15,000		15,000					15,000
District Wi-Fi Installation Update	1213CE1501	60,000		60,000					60,000
District Communication Radios	1213CE1701	6,000		6,000					6,000
District Wide Update to Voice Over Internet Phone System	1213CE1901	60,000		60,000					60,000
IT Infrastructure	1213CO1505	91,800		91,800					91,800
District Wide PC, Laptops, Peripheral Equipment and Desk Top Printers	1213CO1703	97,050		97,050					97,050
Microsoft Office Licenses	1213CO1803	9,300		9,300					9,300
Windows Server Operating System	1213CO1804	14,000		14,000					14,000
Admin Roof Repairs	1099BD1501	12,000		12,000					12,000
Pavement Maintenance - Administration Building	1099LI1705	5,000		5,000					5,000
Human Resources Management and Payroll Processing	1315CO1801	300,000	300,000	0				-300,000	0
Total General Fund	Total		300,000	370,150	0	0	0	-300,000	370,150
Utility Fund:									0
Paint Interior Building #A	2097BD1202	49,000		49,000					49,000
Arc Flash Study - Utilities	2097BD2001	60,000		60,000					60,000
Public Works Billing Software Replacement	2097CO2101	10,000		10,000					10,000
Adjust Utility Facilities in NDOT/Washoe County Right of Way	2097DI1401	145,000		145,000					145,000
Pavement Maintenance, Utility Facilities	2097LI1401	220,000		220,000					220,000
Pavement Maintenance, Reservoir 3-1 WPS 4-2/5-1	2097LI1701	25,000		25,000					25,000
2011 Chevrolet Service Truck #647 Treatment	2097LV1749	45,000		45,000					45,000
Utility Shared Projects	Total		0	554,000	0	0	0	0	554,000
Water Pumping Station Improvements	2299DI1102	70,000		70,000					70,000
Replace Commercial Water Meters, Vaults and Lids	2299DI1103	55,000		55,000					55,000
Water Reservoir Coatings and Site Improvements	2299DI1204	85,000		85,000					85,000
Burnt Cedar Water Disinfection Plant Improvements	2299DI1401	25,000		25,000					25,000
Water Reservoir Safety and Security Improvements	2299DI1701	250,000		250,000					250,000
Watermain Replacement - Martis Peak Road vicinity	2299WS1704	990,000		990,000					990,000
Watermain Replacement - Slott Pk Ct	2299WS1706	25,000		25,000					25,000
R6-1 Tank Road Construction	2299WS1804	15,000		15,000					15,000
Water	Total		0	1,515,000	0	0	0	0	1,515,000
Effluent Export Project - Phase II	2524SS1010	2,000,000	11,586,890	2,000,000			-8,797,000	-4,789,890	0
Effluent Pipeline Segment 5,097 + 1,000 Feet	2524SS20XX	0		0			6,097,000		6,097,000
Effluent - Pond Lining Project	2599SS2010	0		0			2,700,000		2,700,000
Building Upgrades Water Resource Recovery Facility	2599BD1105	80,000		80,000					80,000
Sewer Pumping Station Improvements	2599DI1104	70,000		70,000					70,000
Sewer Pump Station #1 Improvements	2599DI1703	650,000	400,000	650,000					1,050,000
Water Resource Recovery Facility Improvements	2599SS1102	125,000		125,000					125,000
Wetlands Effluent Disposal Facility Improvements	2599SS1103	100,000		100,000					100,000
Replace & Refine Sewer Mains, Manholes and Appurtenances	2599SS1203	80,000		80,000					80,000
Wastewater Resource Recovery Facility (WRRF) Drainage Improvements	2599SS1901	12,500		12,500					12,500
Sewer	Total		11,986,890	3,117,500	0	0	0	-4,789,890	10,314,500
Total Utility Fund	Total		11,986,890	5,186,500	0	0	0	-4,789,890	12,383,500
Internal Service:									
Replace 2004 Pick-up Truck 4X4 (1/2-ton) #540 Used Internal	5394LV1722	5,000		5,000					5,000
Total Internal Service	Total		0	5,000	0	0	0	0	5,000

Incline Village General Improvement District		Capital Improvement Projects Report to the Board of Trustees			PROPOSED For the Year Ending June 30, 2021			3/13/2020	
DESCRIPTION	PROJECT #	Original Budget	Prior Year	Current Year	Projects Cancelled	Adjustments	Reallocation	Carry Over to next year	Budgeted Expenditures
			Carry Forward	Proposed					
Championship Golf Course:									0
Champ Golf Exterior Icemaker Replacement	3141FF1804	10,500		10,500					10,500
Championship Golf Course Bear Boxes	3141FF1903	6,000		6,000					6,000
Venue Signage Enhancement	3141BD1706	20,000	60,000	0				-60,000	0
Irrigation Improvements	3141GC1103	15,000		15,000					15,000
Maintenance Building Drainage, Washpad and Pavement	3141GC1501	700,000		700,000					700,000
Pavement Maintenance of Parking Lots - Champ Course & Chateau	3141LI1201								
		55,000		55,000					55,000
Pavement Maintenance of Cart Paths - Champ Course	3141LI1202	62,500		62,500					62,500
Championship Golf Course Electric Cart Fleet and GPS	3141LV1898	378,000		378,000					378,000
2006 Carryall Club Car #589	3142LE1737	13,000		13,000					13,000
2006 Carryall Club Car #590	3142LE1738	13,000		13,000					13,000
2006 Carryall Club Car #591	3142LE1739	13,000		13,000					13,000
2016 Bar Cart #724	3142LE1741	17,000		17,000					17,000
2016 Bar Cart #725	3142LE1742	17,000		17,000					17,000
Replacement of 2010 John Deere 8500 #641	3142LE1760	92,000	92,000	0					92,000
Driving Range Nets	3143GC1201	90,000		90,000					90,000
2008 Planetair HD50 #616	3197LE1731	38,000		38,000					38,000
2017 TORO Procore 864 Aerator #747	3197LE1735	28,000		28,000					28,000
2017 Deep Tine Aerator #763	3197LE1752	27,000		27,000					27,000
Graden Sand Injection Verticutter	3197LE1902	18,500		18,500					18,500
2017 TORO Procore 864 Aerator #756	3197LE2004	33,500		33,500					33,500
Championship Golf Printer Copier Replacement	3199OE1501	10,000	10,000	0					10,000
Total Championship Golf Course	Total		162,000	1,535,000	0	0	0	-60,000	1,637,000
Mountain Golf Course:									
Mountain Course Greens, Tees and Bunkers	3241GC1101	8,000		8,000					8,000
Mountain Course 58 Cart Fleet acquired by lease	3241LV1899	288,000	113,985	0				-83,589	30,396
Mountain Golf Cart Path Replacement	3241LI2001	165,000	166,395	165,000					331,395
2016 Bar Cart #726	3242LE1726	20,000		20,000					20,000
Pavement Maintenance of Parking Lot - Mountain Golf Course	3242LI1204	6,000		6,000					6,000
Total Mountain Golf Course	Total		280,380	199,000	0	0	0	-83,589	395,791
Chateau:									
Resurface Patio Deck - Chateau	3350BD1302	36,000		36,000					36,000
Replace Air Walls Chateau	3350BD1704	56,500		56,500					56,500
Retrofit Chateau Ventilation Ducts	3350ME2001	7,500		7,500					7,500
Total Chateau and Aspen Grove	Total		0	100,000	0	0	0	0	100,000

Incline Village General Improvement District		Capital Improvement Projects Report to the Board of Trustees			PROPOSED For the Year Ending June 30, 2021				3/13/2020
DESCRIPTION	PROJECT #	Original Budget	Prior Year	Current Year	Projects Cancelled	Adjustments	Reallocation	Carry Over to next year	Budgeted
			Carry Forward	Proposed					Expenditures
Diamond Peak Ski Resort:									
Base Lodge Walk In Cooler and Food Prep Reconfiguration	3453BD1806	15,000		15,000					15,000
Crystal Express Ski Lift Maintenance and Improvements	3462HE1502	55,000		55,000					55,000
Lakeview Ski Lift Maintenance and Improvements	3462HE1702	25,000		25,000					25,000
Ridge Ski Lift Maintenance and Improvements	3462HE1903	45,000		45,000					45,000
Ski Resort Snowmobile Fleet Replacement	3464LE1601	16,000		16,000					16,000
2013 Yamaha Rhino (ATV) #674	3464LV1732	21,000		21,000					21,000
Replace Ski Rental Equipment	3468RE0002	200,000		200,000					200,000
Replace 2010 Shuttle Bus #635	3469HE1739	140,000		140,000					140,000
Replace 2010 Shuttle Bus #636	3469HE1740	140,000		140,000					140,000
Pavement Maintenance, Diamond Peak and Ski Way	3469LI1105	25,000		25,000					25,000
Ski Way and Diamond Peak Parking Lot Reconstruction	3469LI1805	300,000	220,000	300,000					520,000
Diamond Peak Way Finding Signage Evaluation	3469RS1709	40,000	15,000	0				-15,000	0
Diamond Peak Facilities Flooring Material Replacement	3499BD1710	55,000		55,000					55,000
Storage Building Replacement Design Evaluation (grants)	3499BD1804	40,000	40,000	0				-40,000	0
Arc Flash Study - Ski	3499BD2002	20,000		20,000					20,000
Ecommerce/Middleware Software	3499CE1909	202,000	202,000	0					202,000
Replace Staff Uniforms	3499OE1205	135,000		135,000					135,000
Ski Master Plan Implementation (Entitlements)	3653BD1501	750,000	663,000	0				-663,000	0
Total Diamond Peak	Total		1,140,000	1,192,000	0	0	0	-718,000	1,614,000
Parks:									
Resurface and Coat Incline Park Bathroom Floors	4378BD1603	13,940		13,940					13,940
Rosewood Creek Foot Bridges	4378BD1705	8,000		8,000					8,000
Preston Field Retaining Wall Replacement	4378BD1801	10,000		10,000					10,000
2008 JD Pro-Gator #624	4378LE1731	36,000		36,000					36,000
2015 Ball Field Groomer #706	4378LE1742	24,000		24,000					24,000
Maintenance, East & West End Parks	4378LI1207	7,000		7,000					7,000
Pavement Maintenance, Village Green Parking	4378LI1303	7,500		7,500					7,500
Pavement Maintenance, Preston Field	4378LI1403	5,000		5,000					5,000
Pavement Maintenance, Overflow Parking Lot	4378LI1602	5,000		5,000					5,000
Pump Track as funded by Grants	4378LI1604	300,000	300,000	0				-300,000	0
Pavement Maintenance - Incline Park	4378LI1802	3,500		3,500					3,500
2004 Pick-up Truck 4x4 (1-Ton) #541	4378LV1737	45,000		45,000					45,000
Replace Playgrounds - Preston	4378RS1601	7,500		7,500					7,500
Total Parks	Total		300,000	172,440	0	0	0	-300,000	172,440
Tennis:									
Paint All Court Fences and Light Poles, Replace Wind Screens	4588BD1602	26,000		26,000					26,000
Tennis Center Renovation	4588BD1604	0	1,162,000	0					1,162,000
Pavement Maintenance, Tennis Facility	4588LI1201	5,000		5,000					5,000
Resurface Tennis Courts 8-9-10-11	4588RS1401	17,600		17,600					17,600
Total Tennis	Total		1,162,000	48,600	0	0	0	0	1,210,600

Incline Village General Improvement District		Capital Improvement Projects Report to the Board of Trustees					0				3/13/2020
		Original	Prior Year	Current Year						Budgeted	
DESCRIPTION	PROJECT #	Budget	Carry Forward	Proposed	Projects Cancelled	Adjustments	Reallocation	Carry Over to next year		Expenditures	
Recreation Center:											
Pool Facility Deck/Floor Re-coat	4885BD1606	0	34,000	0						34,000	
Recreation Center Upstairs Lobby Restrooms Remodel	4884BD1902	170,000		170,000						170,000	
Pavement Maintenance, Recreation Center Area	4884LI1102	62,500		62,500						62,500	
Fitness Equipment	4886LE0001	45,000		45,000						45,000	
Rec Center Locker Room Improvements	4899FF1202	60,000		60,000						60,000	
Recreation Center Elevator Modernization	4899ME2001	97,500		97,500						97,500	
Recreation Center Printer Copier Replacement 980 Incline Way	4899OE1607	20,000		20,000						20,000	
Total Recreation Center	Total		34,000	455,000	0	0	0	0	0	489,000	
Community Services Administration:											
Arc Flash Study - Community Services	4999BD2001	10,000		10,000						10,000	
Web Site Redesign and Upgrade	4999OE1399	80,000		80,000						80,000	
Total Community Services Administration	Total		0	90,000	0	0	0	0	0	90,000	
Community Services Fund Total				3,078,380	3,792,040	0	0	0	-1,161,589	5,708,831	
Beach:											
Burnt Cedar Swimming Pool Improvements	3970BD2601	225,000		225,000						225,000	
Pavement Maintenance, Ski Beach	3972BD1301	6,000		6,000						6,000	
Beaches Flatscape and Retaining Wall Enhancement and Replacement	3972BD1501	55,000		55,000						55,000	
Burnt Cedar Dumpster enclosure	3972BD1707	35,000		35,000						35,000	
Beach Furnishings	3972FF1704	7,000		7,000						7,000	
Pavement Maintenance, Incline Beach	3972LI1201	6,500		6,500						6,500	
Pavement Maintenance, Burnt Cedar Beach	3972LI1202	12,500		12,500						12,500	
Replace Playgrounds - Beaches	3972RS1701	7,500		7,500						7,500	
Incline Beach Facility Replacement	3973LI1302	100,000	20,000	100,000						120,000	
Total Beach	Total		20,000	454,500	0	0	0	0	0	474,500	
District-wide Total				\$15,385,270	\$9,808,190	\$0	\$0	\$0	(\$6,251,479)	\$18,941,981	

MEMORANDUM

TO: Board of Trustees

FROM: Tim Callicrate
Chairman, Board of Trustees

SUBJECT: Review, discuss and possibly approve the issuance of a written notice of termination, in accordance with the retainer agreement, paragraph 10.3, to the Law Offices of Hutchison & Steffen, PLLC effective April 14, 2020.

DATE: April 2, 2020

I. RECOMMENDATION

That the Board of Trustees makes a motion to issue written notice of termination effective April 14, 2020 to Hutchison & Steffen, PLLC based on the terms of the existing contract agreement.

II. BACKGROUND

The District, at the direction of the Board of Trustees, entered into a retainer agreement on March 1, 2019 with Hutchison & Steffen, PLLC (see attached). Included in that agreement is a termination clause (10.3) which calls for a one hundred and eighty (180) day written notice to terminate services. The clause is shown below:

10.3. This Retainer Agreement or the appointment of Firm as IVGID Attorney to IVGID may be terminated with or without cause by IVGID Board or upon the hiring of a full-time attorney directly employed by IVGID as IVGID Attorney or by Firm at any time upon one hundred and eighty (180) days written notice.

Under Policy and Procedure Resolution 105, Resolution 1480, the following two excerpts apply to legal services:

The General Manager shall maintain direct, day-to-day supervision over all District employees, with the exception of the Attorney.

The General Manager shall be responsible for coordinating the work of the Attorney with the activities of IVGID Staff, and the Board of Trustees.

The services of the attorney are contracted at the sole discretion of the Board of Trustees.

III. FINANCIAL IMPACT

There is no financial impact as these services are budgeted within this current fiscal year at the present rates.

There may be staff time involved in going out for a request for proposal to replace said firm.

IV. ALTERNATIVE

Terminate services with Hutchison & Steffen, PLLC effective at a date sooner than the required six (6) month severance period.

10.3.1. In the event that IVGID desires to terminate Firm's services with notice of a lesser period, IVGID will provide Firm with a severance payment, equal to the agreed upon monthly retainer, for each month of said specified six (6) month notice period for which notice is shortened and is not given.

If this alternative is selected, the District will need to consider hiring temporary legal services until such time the District decides to go out to RFP or long term legal services.

April 14, 2020

Hutchison & Steffen, PLLC
500 Damonte Ranch Parkway
Suite 980
Reno, Nevada 89521

Attention of Mr. Jason Guinasso
Managing Partner

Subject: Termination of Retainer Agreement between Incline Village General Improvement District and Hutchison & Steffen
Retainer Agreement Paragraph 10.3

Dear Mr. Guinasso,

In accordance with retainer agreement paragraph 10.3 which reads as follows:

10.3. This Retainer Agreement or the appointment of Firm as IVGID Attorney to IVGID may be terminated with or without cause by IVGID Board or upon the hiring of a full-time attorney directly employed by IVGID as IVGID Attorney or by Firm at any time upon one hundred and eighty (180) days written notice.

Incline Village General Improvement is providing you with this notification of termination without cause effective April 14, 2020. In compliance with the retainer agreement paragraph 10.3, the last day of services will be October 10, 2020. We would greatly appreciate a prorated invoice for the ten day period of October 2020 on or before October 10, 2020.

Incline Village General Improvement District appreciates the legal services provided by Hutchison & Steffen and your personal attention to us. We also look forward to a successful transition to a new legal firm once selected and to a successful ending of our relationship.

Regards,

Tim Callicrate
IVGID Board of Trustees
Chairman



RETAINER AGREEMENT

By and Between

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT

And

THE LAW OFFICES OF HUTCHISON & STEFFEN, PLLC

THIS RETAINER AGREEMENT (the "Retainer Agreement") is entered into by and between the INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT (the "IVGID") and the law firm of HUTCHISON & STEFFEN, PLLC ("Firm") and is effective as of the 1st day of March 2019.

**I.
RECITALS**

WHEREAS, IVGID and Firm desire to engage in a stable and flexible long term contractual relationship whereby IVGID can recognize pricing efficiencies for legal services and the Firm is available to provide service as IVGID Attorney, as well as additional legal services on an as needed basis, in a thoughtful and cost effective manner; and

WHEREAS, IVGID and Firm desire to respectively receive and provide legal services specifically described herein pursuant to this Retainer Agreement;

WHEREAS, IVGID and Firm specifically acknowledge that this Agreement is not an employment agreement and does not establish a relationship of employer and employee between Firm and IVGID, between IVGID Attorney and IVGID, or between IVGID and any Firm Attorney, but defines a relationship between the parties wherein the Firm, its officers and employees, including those designated IVGID Attorney or Assistant IVGID Attorney are in fact independent contactors of IVGID and remain solely the employees of the Firm; and

WHEREAS, Firm reserves its independence to act within the limits imposed by law and professional obligations such that IVGID's policy objectives during the representation will be furthered through means the Firm considers appropriate under its professional obligations after consultation with IVGID and as may otherwise be required by the rules regulating the Nevada Bar.

NOW, THEREFORE, it is agreed as follows:

1. RETAINER AGREEMENT. This Retainer Agreement restates, supersedes, and replaces all prior agreements between the parties concerning the provision of legal services in the manner and under the terms described in this Agreement.

2. TERM. The term of the Agreement shall be for a period of three (3) years, commencing on March 1, 2019, subject to termination, as set forth in Section 10.3 below.

3. IVGID ATTORNEY SERVICES.

3.1. Firm will provide legal services as IVGID Attorney to IVGID relative to the direction of the IVGID General Manager as prescribed under Resolution 1480, the District's personnel management policy, which states, "the General Manager shall be responsible for coordinating the work of the Attorney with the activities of IVGID Staff, and the Board of Trustees."

3.2. IVGID Attorney shall serve as chief legal advisor to IVGID Board of Trustees, IVGID General Manager, and all IVGID departments and offices. IVGID attorney shall represent IVGID in all legal proceedings.

3.3. For purposes of this Retainer Agreement Jason D. Guinasso, Esq., the Managing Partner for the Northern Nevada Officers of the Firm shall be designated as IVGID Attorney ("Designated Lawyer"). The Designated Lawyer of the Firm serving as IVGID Attorney for IVGID may be substituted following notice to the General Manager and IVGID Board Chair.

3.4. Firm shall also designate one or more attorneys, who along with the Designated Lawyer shall serve accompanied by other members of the Firm, and IVGID shall have access to, the complete complement of practice groups and breadth of experience of Firm attorneys along with the full statewide

resources of the Firm.

3.5. The contemplated services described in this Agreement are to be provided in conjunction with efforts of designated officials and staff of IVGID to achieve the goals of IVGID as determined by the IVGID Board and the IVGID General Manager. The Agreement contemplates that the work will be assigned to IVGID Attorney either by IVGID Board or by IVGID General Manager. Such legal services, as enumerated below, are to be provided as IVGID Attorney Legal Services on a monthly retainer basis, and supplemented by additional IVGID Attorney Legal Services, as enumerated below, on an hourly basis as approved by work order. Additional Special Counsel Legal Services will also be provided separately by the Firm or other firms on an hourly basis by separate work orders for special services or as otherwise approved by IVGID Board as provided in Sections 4 and 5 hereof.

3.6. IVGID Attorney Legal Services encompass the following:

3.6.1. Attend two IVGID Board meetings per month.

3.6.2. Review and approve meeting agendas to ensure that they are in compliance with the Nevada Open Meeting Law.

3.6.3. Provide two training sessions, when requested, for IVGID Board and staff each year that will help to reduce questions by IVGID Board and staff about legal issues and reduce IVGID's risk in its operations or, in the alternative, attend up to four additional workshops, retreats or other meetings at the request of the General Manager.

3.6.4. Assist District Clerk with responses to Public Records Requests.

3.6.5. Participate in up to one weekly conference either in person or via teleconference (as required by IVGID General Manager) at a regular time to be mutually determined by

IVGID General Manager and IVGID Attorney that will include IVGID Manager and Department Heads (also referred to commonly as the "Senior Team") to identify and discuss outstanding legal issues, discuss projects both proposed and in development, share information associated with services to be provided by the Firm, and address the means to serve IVGID's legal needs;

- 3.6.6. Participate in one weekly meeting in person or by phone with the General Manager and address legal questions;
- 3.6.7. Participate in bi-weekly meetings with the Director of Public Works and address legal questions;
- 3.6.8. Attend bi-weekly meetings with the Director of Human Resources and address legal questions;
- 3.6.9. Crisis and emergency management, advice and responses, as requested by General Manager, to events that present risks to Staff, Board of Trustees or the District.
- 3.6.10. Receive, analyze and respond to regular electronic communications from Staff and Trustees with requests for basic information and legal advice (responses to complex questions that require research and/or extended responses will not be included in this email and will be charged to the District as "Additional Services")
- 3.6.11. Receive and return phone calls from Staff and Trustees with requests for information or legal advice.
- 3.6.12. Develop and implement a procedure to provide prompt responses to IVGID General Manager and IVGID Board with date stamping (or other tracking for accountability purposes) of all internal requests for legal services and to coordinate that work with IVGID General Manager's and Board's work-plans and develop

appropriate quality control and establish with the Board and IVGID General Manager benchmarks to measure performance under this Agreement;

- 3.6.13. Provide administration and periodic oversight and review of all special counsel engagements (including those involving other law firms or attorneys), or use of consultants necessary to support all special counsel engagements, including review, analysis and recommendation regarding payment of all billings by special counsel, including consultants;
- 3.6.14. Complete preparation, adoption and codification of IVGID Code.
- 3.6.15. Provide legal advice to IVGID Board and participate in individual calls with IVGID Board members in order to provide advice to the Board regarding upcoming IVGID Board agenda items or ethics inquiries and participate in the preparation of agendas for IVGID Board and be prepared to offer legal advice on all agenda items at meetings of the Board or other committees and public bodies the Board shall appoint;
- 3.6.16. Provide to Board and IVGID General Manager a monthly report that describes the status of all outstanding matters and provides such other information regarding the matters being handled by the Firm under this Agreement as requested by the Board;
- 3.6.17. Facilitate the adherence to provisions of IVGID Ordinances, Resolutions and Policies, and drafting appropriate ordinances, resolutions, legislation, service agreements, interlocal agreements, and other documents and instruments to collaboratively and cooperatively achieve IVGID's objectives in the most cost effective and time efficient manner;

- 3.6.18. Provide the Board and IVGID General Manager timely updates regarding changes in the law (legislation or cases) that may affect IVGID operations, policies or activities; and
- 3.6.19. Provide the Board and IVGID General Manager with options to cost effectively handle all legal matters incorporated in this Agreement while retaining the high quality of legal services through the use of forms, the use of lower priced staff, various alternate billing methods including using special counsel, temporary employees, task based billing, or other methods of charging for services or service delivery.
- 3.6.20. IVGID Attorney Legal Services do not encompass or include Additional IVGID Attorney Legal Services or Special Counsel Legal Services described herein, nor bond counsel, disclosure counsel or other legal services not specifically included in this subsection.

4. ADDITIONAL IVGID ATTORNEY LEGAL SERVICES.

- 4.1. Additional IVGID Attorney Legal Services encompass the following:
- 4.1.1. Attend, as reasonably required or requested, all meetings of IVGID Board not described in the foregoing subsection as IVGID Attorney Legal Services, and attend meetings with third parties or IVGID staff and/or IVGID Department Heads, as reasonably required or requested by IVGID General Manager.
- 4.1.2. Represent IVGID in the acquisition and disposition of real property rights and interests in the normal course of business, including the issuance of title insurance commitments and policies;
- 4.1.3. Coordinate, in concert with IVGID Manager, with legal counsel and other professionals representing governmental agencies or third parties on routine legal matters affecting IVGID in the normal course of business;

- 4.1.4. Attend Ordinance and/or code enforcement hearings and defend decisions of IVGID General Manager and Senior Staff in court of law and/or before administrative agencies;
- 4.1.5. Perform other legal services which IVGID and Firm mutually agree are outside the normal and regular scope of day-to-day general counsel services, including special legal projects of a significant nature outside the normal day-to-day representation of IVGID;
- 4.1.6. Prepare responses to and defend against Open Meeting Law Complaints, Ethics Complaints, and complaints filed with state agencies when said responses are required.
- 4.1.7. Prosecute or defend litigation as directed by the Board or IVGID General Manager, including mediation, validation proceedings, and arbitrations before administrative boards, arbitrators, mediators, courts of all levels of the county, state or federal governments and report to Council and Manager on that litigation regularly; and
- 4.1.8. Prosecute or defend appeals in the courts of this state and the federal government and administrative boards having jurisdiction over matters affecting IVGID as directed by the Council or IVGID Manager.
- 4.1.9. Special Counsel Legal Services described in Section 4 hereof,
- 4.1.10. Bond counsel and disclosure counsel services.
- 4.1.11. The provision of Additional IVGID Attorney Legal Services shall be conditioned upon a scope of services as directed or authorized by either IVGID General Manager or IVGID Board, as applicable, and shall be set forth in a written work order in substantially the form attached hereto as Exhibit "A", or as otherwise approved by IVGID Board.

5. SPECIAL COUNSEL SERVICES.

- 5.1. Firm shall also be available to provide Special Counsel Legal Services to IVGID. Special Counsel Legal Services are to

be provided on an hourly basis or by task based billing or other billing arrangements as agreed upon by the parties in advance and commenced by separate work orders as described in this Agreement and as agreed by the parties. Such services are of a nature that require recognized expertise, experience, or specialized subject matter knowledge and focus above and beyond routine or normal day-to-day IVGID Attorney Legal Services or Additional IVGID Attorney Legal Services, and shall generally include the following:

- 5.1.1. Providing advice, research, and assistance on extraordinary IVGID administration or operational matters and negotiations;
- 5.1.2. Rendering written memoranda or opinions outside the scope of IVGID Attorney Legal Services or Additional IVGID Attorney Legal Services and which expose the Firm to significant liability;
- 5.1.3. Providing advice and research on the feasibility and legal sufficiency of statutory and alternative revenue sources, including the development or implementation of special assessment, impact fee, user fee, extraordinary revenue, utility fee or rate programs;
- 5.1.4. Negotiating, preparing, obtaining, delivering, and filing all documents in connection with the closing on any acquisition, contribution, sale, exchange, or disposition of any significant IVGID assets or systems requiring the financing thereof, including real and personal property associated with such IVGID assets or systems;
- 5.1.5. Nominally acting as a lobbyist before any legislative, administrative, or executive branch of government (such services, if extensive, may require a separate engagement);
- 5.1.6. Legal formulation, negotiation, drafting, and implementation of special or significant IVGID programs or initiatives;

5.1.7. The provision of Special Counsel Legal Services shall be conditioned upon a scope of services as directed or authorized by either IVGID Manager or IVGID Board, as applicable, and shall be set forth in a written work order in substantially the form attached hereto as Exhibit "A", or as otherwise approved by IVGID Board;

5.1.8. Special Counsel Legal Services described in this section do not include bond counsel, disclosure counsel, underwriter's counsel, or other legal services which are already or will be the subject of other separate agreements with IVGID, or are premised upon negotiated fees; or other legal services otherwise subsequently agreed to between the parties or third parties.

6. COMPENSATION FOR PROFESSIONAL SERVICES.

6.1. Firm will be compensated for IVGID Attorney Legal Services at the monthly retainer rate as authorized herein. Firm will be compensated for Additional IVGID Attorney Legal Services and Special Counsel Legal Services at hourly rates as authorized herein. Unless otherwise agreed to by the parties in separate writing, Firm will be compensated for legal services at negotiated and hourly rates as authorized herein.

6.2. The Firm will be compensated for IVGID Attorney Legal Services at the Firm's following monthly retainer rate:

6.2.1. **Twelve Thousand Dollars (\$12,000) per month** to be billed at the beginning of each calendar month for work to be performed and paid within thirty (30) days.

6.3. The Firm will be compensated for Additional IVGID Attorney Legal Services for hourly work at the following hourly rates:

6.3.1. **A blended rate of \$250 per hour** of attorney time (recorded and billed in increments no greater than 0.10

hour segments);

6.3.2. Firm paralegals or law clerks at the **rate of \$110.00 per hour** (recorded and billed in increments no greater than 0.10 hour segments), dependent upon experience and expertise; Firm agrees to assign matters to paralegals and law clerks to achieve the most cost effective service in IVGID's best interest.

6.3.3. A **flat rate of \$2,500** for preparation of each and every response and defense to each and every Open Meeting Law Complaint, Ethics Complaint, or other complaint filed with any state agency when said response and defense is either requested by the General Manager or required by law. This flat rate does not include legal services and fees associated with hearings, proceedings, petitions, appeals or other litigation arising out of said complaints.

6.3.3.1. With regard to Open Meeting Law Complaints, one response and defense every six months will be not be charged at flat rate and will be incorporated into legal services covered under the retainer.

6.3.4. Firm agrees not to bill for the services of more than one attorney (or paralegal/law clerk or combination of attorney, paralegal/law clerk) who attends the same meeting, conference or event unless approved in advance. Firm agrees to assign work to attorneys, paralegals and law clerks in a manner to achieve the most cost-effective benefit to IVGID as is in IVGID's best interest.

6.4. The Firm will honor hourly rates approved by the Nevada Public Agency Insurance Pool (POOL) and the Public Agency Compensation Trust (PACT) for all legal services covered by those entities.

6.5. The Firm will be compensated for Special Counsel Legal Services for hourly work at the following discounted and

blended hourly rates:

- 6.5.1. **A blended rate of \$300 per hour** of attorney time (recorded and billed in increments no greater than 0.10 hour segments);
 - 6.5.2. Firm paralegals or law clerks at the **rate of \$110.00 per hour** (recorded and billed in increments no greater than 0.10 hour segments), dependent upon experience and expertise; and
 - 6.5.3. (c) Firm agrees to assign work to attorneys, paralegals and law clerks in a manner to achieve the most cost effective benefit to IVGID as is in IVGID's best interest and Firm agrees not to bill for the services of more than one attorney (or paralegal/law clerk) who attends the same meeting, conference or event unless approved in advance.
- 6.6. No attorney time shall be charged for any travel to IVGID or for travel to any meetings of IVGID Board if held within the County.
- 6.7. The Firm shall also be entitled to receive reimbursement for actual costs incurred such as, long distance telephone charges, overnight delivery charges, and travel expenses (when travel is necessary and requested from outside of Washoe County, Nevada; however, no other overhead charges will be reimbursed for copying, secretarial services or other overhead as those costs are considered a part of the fees paid under this Agreement. No travel expenses will be charged for daily travel within IVGID or for any travel for the purpose of attending and staffing any regularly scheduled meeting of IVGID Board in the Firm's role in providing IVGID Attorney Legal Services.)
- 6.8. The Firm shall bill IVGID periodically for monthly retainer and hourly work, but not more often than monthly, and provide an itemized statement of fees for services provided and costs incurred to date. Invoices must be

submitted within 60 days of the first billing date in the cycle and all bills for the fiscal year must be submitted within 30 days after the conclusion of that fiscal year with an estimate of that bill's total submitted before the end of the fiscal year as reasonably required by IVGID Manager. All invoices shall include documentation for costs and be submitted to, approved, and promptly processed for payment by IVGID General Manager.

7. USE OF NECESSARY CONSULTANTS OR OTHER SPECIAL COUNSEL; APPROVAL PROCEDURE.

7.1. IVGID may necessarily require legal expertise beyond the scope of IVGID Attorney, Additional IVGID Attorney, or Special Counsel legal service roles contemplated herein. Subject to the concurrence or recommendation of IVGID General Manager and, if required, the approval of IVGID Board, the Firm shall have the authority to use or retain on behalf of IVGID such additional consultants, experts, or counsel that it deems necessary to implement the objectives and programs of IVGID. Such approval shall be first requested in writing and shall include a scope of services and method of compensation for each additional consultant, expert, or counsel requested.

7.2. IVGID Attorney shall maintain oversight and request and provide to IVGID periodic status reports from either litigation or local counsel in the event of any representation pursuant to this section.

7.3. Statements for fees and costs incurred by any approved consultant, expert, or counsel, shall be first reviewed by the Firm for accuracy and completeness and, upon approval, submitted to IVGID Manager and/or IVGID Board for payment.

8. DISCLOSURE.

8.1. IVGID recognizes that the Firm represents other clients in or near Incline Village as General Counsel, including but

not limited to the North Lake Tahoe Fire Protection District, the Incline Village Crystal Bay Visitors Bureau and the Tahoe Douglas Fire Protection District.

8.2. The Firm as IVGID Attorney will not represent any client, including but not limited to a municipality, county, local or state government agency or other person or entity in matters which the Firm determines to be directly adverse to IVGID nor will the Firm represent IVGID in matters which the Firm determines to be directly adverse to the interests of any other client of the Firm.

8.3. The rules regulating the Nevada Bar provide that common representation of multiple parties is permissible where the clients are generally aligned in interest, even though there is some difference in interest among them.

8.3.1. It is also possible that during the course of the Firm's representation of IVGID's interests IVGID may become involved in transactions or disputes with other clients of the Firm in which IVGID's interests are or become adverse to the interests of one or more of the Firm's other clients, whether present or future. If such a conflict between IVGID interests and those of another of the Firm's clients, whether present or future, were to arise, the Firm will promptly notify IVGID of that circumstance.

8.3.2. The Firm reserves the right, on account of any such conflicts of interest, to withdraw from the matter in question and will assist IVGID in securing interim or alternative counsel for the matter in conflict if a conflict waiver is not otherwise permissible under the rules regulating The Nevada Bar.

8.3.3. The Firm represents local governments and private sector clients throughout Nevada and California, and wishes to be able to consider the representation of other local governments or public sector clients who may have interests that are potentially adverse to IVGID's, but with

respect to matters that are unrelated in any way to our representation of IVGID. The ethics rules that govern the Firm permit it to accept such multiple representations, assuming certain requirements are met. Accordingly, during the term of this engagement, the Firm agrees that it will not accept representation of another client to pursue interests that are directly adverse to IVGID's interests unless and until the Firm makes full disclosure to IVGID of all the relevant facts, circumstances, and implications of the Firm's undertaking the two representations, and confirm to IVGID in good faith that the Firm has done so and that the following criteria are met:

- 8.3.3.1. there is no substantial relationship between any matter in which the Firm is representing or has represented IVGID and the matter for the other client;
- 8.3.3.2. any confidential information that the Firm has received from IVGID will not be available to the attorneys and other Firm personnel involved in the representation of the other client;
- 8.3.3.3. our effective representation of IVGID, and the discharge of the Firm's professional responsibilities to IVGID will not be prejudiced by representation of the other client; and
- 8.3.3.4. the other client has also consented in writing based on our full disclosure of the relevant facts, circumstances, and implications of the Firm's undertaking the two representations. If the foregoing conditions are satisfied, IVGID agrees that the Firm may undertake the potentially adverse representation and that all conflict issues will be deemed to have been resolved or waived by IVGID.

9. CONTRACT ADMINISTRATION.

- 9.1. In accordance with Resolution 1480, IVGID Board hereby

designates its General Manager to provide policy direction and instructions to the Firm in the administration of its duties hereunder, approving and authorizing work orders, the provision of Additional Legal Services and all other matters necessary to administer this Retainer Agreement on behalf of IVGID.

9.2. The Firm shall be entitled to reasonably rely upon such direction received from IVGID General Manager.

9.3. The Firm will alert IVGID Manager if any project or service it is working on or which it is asked to work on may exceed the budget for the year, or for that project or service and will not proceed to provide services for which it seeks compensation until sufficient funding to pay the Firm for its services for the project or service is approved; unless specifically directed by Board or IVGID General Manager to proceed.

10. GENERAL.

10.1. This Retainer Agreement shall be governed by and construed in accordance with the laws of the State of Nevada. In the event of any dispute arising out of or relating to this Retainer Agreement, the parties agree to waive trial by jury and agree that venue shall lie in Washoe County, Nevada. In the case of litigation of such disputes, the prevailing party shall be entitled to recover attorney fees and costs from the other party. This Retainer Agreement may be amended only by a written agreement entered into by the parties.

10.2. IVGID General Manager will evaluate the performances of the legal services of the Firm on at least an annual basis and shall review such evaluation with the Firm. The evaluation shall include input from each member of the Board of Trustees, Senior Staff and the General Manager, and shall be completed by 30 June of each year. More frequent and informal performance evaluations and feedback may be undertaken by District at any time.

10.3. This Retainer Agreement or the appointment of Firm as IVGID Attorney to IVGID may be terminated with or without cause by IVGID Board or upon the hiring of a full-time attorney directly employed by IVGID as IVGID Attorney or by Firm at any time upon one hundred and eighty (180) days written notice.

10.3.1. In the event that IVGID desires to terminate Firm's services with notice of a lesser period, IVGID will provide Firm with a severance payment, equal to the agreed upon monthly retainer, for each month of said specified six (6) month notice period for which notice is shortened and is not given.

10.3.2. Additionally, even if IVGID does elect to seek and obtain either IVGID Attorney Legal Services or Additional IVGID Attorney Legal Services, or both, from an attorney or firm other than Firm, this contract may stay in force and effect so that the Firm is available to provide to IVGID, on an as needed and agreed to basis, supplemental legal services as provided for herein.

10.3.3. In the event of termination, the Firm shall assume responsibility for completion of and shall be compensated for all representation requested prior to the notice of termination and through any prompt transition to termination agreed upon by the parties at the hourly rates agreed upon for Additional IVGID Attorney Legal Services for any remaining IVGID Attorney Legal Services or Additional IVGID Attorney Legal Services and at the rates agreed upon for Special Counsel Legal Services for those services. Provided however, IVGID Council may terminate this Retainer Agreement for breach by the Firm with such notice as may be reasonable under the circumstances.

10.3.4. In the event of termination, with or without cause, the Firm shall be compensated in accordance herewith for approved time and expenses expended prior to the date of

termination. This Retainer Agreement may be executed in multiple counterparts.

10.3.5. All original files (their contents), records and documents are the property of IVGID and not of the Firm or its Attorneys and upon termination shall be returned to or delivered to IVGID as IVGID General Manager reasonably directs at the expense of the Firm. The Firm may retain copies as necessary to comply with the Rules of the Nevada Bar.

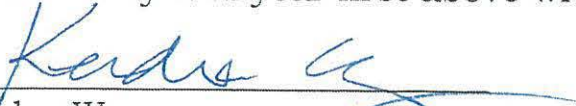
10.4. This Retainer Agreement shall be effective as of the date first written above and is the entire agreement between the parties concerning the subject matter hereof.

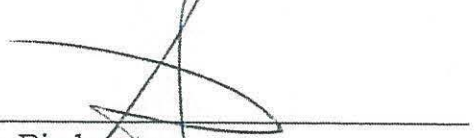
11. APPOINTMENT.

11.1. The IVGID Board hereby appoints Firm as IVGID Attorney for IVGID; this Retainer Agreement shall hereafter provide the terms and conditions for such engagement. Such appointment may be changed or altered from time-to-time by resolution of IVGID Board. As required, IVGID General Manager is directed and authorized to use and consult with Firm for IVGID Attorney Legal Services and Additional IVGID Attorney Legal Services as described herein. Additionally, and as required, IVGID Manager is directed and authorized to use and consult with Firm for Special Counsel Legal Services at a cost not to exceed the delegated purchasing limit of IVGID Manager on any single project or matter. For projects or matters above the then current delegated purchasing limit of IVGID Manager, Special Counsel Legal Services shall be provided by work order or as otherwise authorized and approved by IVGID Board.

[The remainder of this page is intentionally left blank]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

By: 
Kendra Wong
Chairwoman, Board of Trustees
Incline Village General Improvement
893 Southwood Blvd.
Incline Village, NV 89451-9425

By: 
Steve Pinkerton
General Manager
Incline Village General Improvement District
893 Southwood Blvd.
Incline Village, NV 89451-9425


By: 
Jason D. Guinasso, Esq.
Hutchison & Steffen, PLLC
500 Damonte Ranch Parkway, Suite 980
Reno, NV 89521

EXHIBIT A
EXEMPLARY FORM OF LEGAL SERVICES WORK ORDER No.

[insert an identifying work order number here]

TO:

FROM: IVGID General Manager

1. Scope of Services: [describe whether Additional IVGID Attorney services (general counsel) or Special Counsel Services] are to be performed based upon the description attached hereto (A-1) in a proposal by IVGID Attorney that describes the scope of services, the time for performance, the hourly rates if not as described in the Retainer and which estimates the cost of performance.

2. Compensation: Hourly rates and reimbursement for actual costs as provided in IVGID Attorney Retainer Agreement between the parties, or this Work Order. If different rates from those included in the Retainer agreement are not included in the Scope of Services, then the Retainer rates apply.

3. Work Order Budget: The initial funding authorization or budget appropriation for this Work Order shall not exceed the amount of [amount] or the estimate incorporated in the Scope of Services attached to this Work Order whichever is lower. However, it is understood that the direction of IVGID will control the work effort and additional budget appropriations may be required and authorized.

4. Use of Necessary Consultants: Pursuant to the Retainer Agreement, IVGID confirms, directs, and authorizes the use of (1) [name of consultant] and (2) [name of consultant] and the scope of services and method(s) of compensation necessary to support the provision of legal services and continued assistance to IVGID with the [describe work effort and provide attachment].

Authorized by:

Accepted by:

Title: IVGID Manager/Mayor Title: Authorized Signatory

Date: ----- Date:

[Attach Scope of Service A-1]

A-1 Attachment to Work Order No. [insert work order number here]

MINUTES

REGULAR MEETING OF MARCH 11, 2020 Incline Village General Improvement District

The regular meeting of the Board of Trustees of the Incline Village General Improvement District was called to order by Chairman Tim Callicrate on Wednesday, March 11, 2020 at 6:00 p.m. at the Chateau located at 955 Fairway Boulevard, Incline Village, Nevada.

A. PLEDGE OF ALLEGIANCE*

The pledge of allegiance was recited.

B. ROLL CALL OF THE IVGID BOARD OF TRUSTEES*

On roll call, present were Trustees Peter Morris, Tim Callicrate, Sara Schmitz, Matthew Dent, and Kendra Wong.

Also present were District Staff Members Director of Public Works Joe Pomroy and Engineering Manager Nathan Chorey.

Members of the public present were Michael Brothers, Steve Dolan, Pete Todoroff, Aaron Katz, Judith Miller, Mark Alexander, Linda Newman, John Eppolito, Margaret Martini, Alexandra Profant, and others.

(45 individuals in attendance at the start of the meeting which includes Trustees, Staff, and members of the public.)

Chairman Callicrate made several announcements regarding what this meeting is, protocol, ways to contact Staff, etc.

C. PUBLIC COMMENTS

Margaret Martini read from a prepared statement which was not submitted.

John Eppolito announced he is running for School District Board's at-large seat. He said he finally is going to run for school board because kids are getting hurt from their policies. He provided a few examples – on the school district's Kahoot app, a student asked if he should commit suicide, and committed suicide the next day. He said fourteen months after, Kahoot was selling the children's data and the school district stopped using it. He said there is too much screen time for our children. He said he is willing to speak at fundraisers and open forums. He provided

Minutes

Meeting of March 11, 2020

Page 2

his email for anyone to contact him (John4wcsd). He provided more information regarding another example of kids getting hurt. He said a mother, Jessica, said the worst thing she did was allow her child to use a screen; it leads to addiction.

SOS Outreach members, Michael, Emily, Alejandro, Emma, Julie read from a prepared statement.

Judy Miller said it's been encouraging that some of our board members recognize they have a fiduciary duty to look at budgets and provide oversight. She said the board does more than set policy. We have enterprises, and they need to be accountable to the public. She said we collect fees and decide how those are determined. She asked how you can determine it if you aren't told what it's budgeted for. The mantra of real estate community was exclusivity, now it's tourism. She said she helps tourists as an accommodating host but draws the line at subsidizing tourism with fees meant for local recreation. She said we can't turn the train wreck of STRs. Transient occupancy will be primary before too long. It means more demand for amenities that we subsidize. Those who are not accompanied by picture pass holder should pay more. Golf has been practicing that for years. At the beaches, we used to have to accompany guests. She asked shouldn't those who are not accompanied pay more and not just at beaches. She said we should do away with punch cards. For everyone else, there should be no discount. We should have financials that make sense instead of phony punch cards that throw off the financial results.

Aaron Katz said where is Michaela, isn't she running for office. He has more written statements that he asks for permission to submit them tomorrow and Mr. Chairperson please allow public comment on all general business matters as you don't have it for Item G, the budget, which is most important and you should have. So, first of all, he has gone through all of these statements, at least most of them, for the proposed judgment and number one on the list is that we need to eliminate Marketing; he has it all here in a written statement. It is going to save us \$1.2 million a year that we can reduce from our Rec Fee. Also, he wants the Board to know on October 1, 2013, a prior Board went through an examination of all of our recreational facilities and which ones should be subsidized and which should not and how much the subsidy should be. Direction was given to Staff and what did Staff do, it ignored the Board and this goes down to our basic problem, in his opinion, who is working for whom. Ever since he came to Incline it is like Staff expects we, the public, are working for them and that should not be the case and this Board can send a message it should not be the case and that is what he asks for. All of these documents for budgets, he is sorry to say, are a joke. Unless you know line item entries that go into categories like services and supplies, there is

no way you are equipped with any knowledge to decide, yes, to approve this number, or no, not to approve it. Also, you don't have line item veto power then because you don't know what the line items are. Several weeks before this meeting, he sent an e-mail to the Interim District General Manager and he specifically asked that he asked him that when he presents a budget that he wanted to see all the line items to examine them so that he knows what's proper, what isn't, what he can object to and what he can't. What the reasoning is for items to be in there that maybe he doesn't appreciate and none of that was provided. So he wrote to the Interim District General Manager the other day and he said remember he asked you and he would like the items. Now, he had an explanation but bottom line is that he has been refused access. Then he asked to get all the line items for what goes into the administrative part of our utility fees from Staff and Staff refused to give him anything and Staff said it wasn't a public record. Well, his answer is if it not a public record then anything Staff comes to for the answer is no. If you don't provide line items, the answer is no. If you want personnel increases in wages and benefits, and look at the General Fund, it is twenty five percent over three years, the answer is no. Thank you, he has written statements.

Steve Dolan thanked North Lake Tahoe Fire Protection District Chief Ryan Sommers for sending his crew to that building on Third Creek. He said he wanted to endorse John Eppolito and his battle for over ten years with the school district. He said John is a hard worker and intelligent about the issues. He said he is in favor of protecting Nevada's youth.

Alexandra Profant stated she is a candidate for the District 1 Planning Commission seat. She wanted to bring it to the public's attention that the Tahoe Area Plan was read at the Washoe County Commissioners Board meeting. She asked Washoe County staff and Deputy District Attorney Nate Edwards for specific documents of the appellate process for the approval process as it's ambiguous. She commented about her work with State parks and noted that she has a State park plan. She said she has the Planning Commission policy and copy of the Feb 4th Planning Commission meeting, and Sparks SOI rollback. She said she has made these available at the Incline Library. She said it's interesting as it addresses other residential and regulatory zoning. It's interesting because it looks at varied zoning approaches. She said we can still appeal and deny the Tahoe Area Plan. She said she wanted to endorse John Eppolito as he is an advocate. Margaret Martini thanked Ms. Profant for bringing that information to the library.

D. APPROVAL OF AGENDA (for possible action)

Trustee Morris stated he was concerned as there isn't an agenda item regarding an update from the Audit Committee meeting. Chairman Callicrate asked if Audit Committee can be update in Board member item. District General Counsel Velto said it can be discussed during the specific audit item. Chairman Callicrate said there will be a formal update at the next meeting. Trustee Dent asked why he can't update the Board. Trustee Wong said he can provide update but it cannot be a discussion. Trustee Morris said it doesn't solve the problem that he would like to address the item. He said there is a great cause of concern if there is another audit meeting prior to the next Board meeting and we won't be able to address those items. Chairman Callicrate said it was an oversight. Interim District General Manager Winqest stated we will make sure that won't happen again. District General Counsel Velto stated members can move agenda items out of order to allow for an update but it won't allow for discussion. Chairman Callicrate moved the Board Member update item up in order to provide an update. He said the next meeting there will be formal update and discussion.

Trustee Wong made a motion for a flexible agenda; Trustee Dent seconded the motion. Trustee Morris opposed the motion. Chairman Callicrate called the question and Trustees Wong, Dent, Callicrate and Schmitz voted in favor of the motion and Trustee Morris voted opposed; the motion passed.

E. DISTRICT STAFF UPDATE (for discussion only)

E.1. Interim District General Manager Indra Winqest

Interim District General Manager Winqest went over his submitted report. He noted we have received bids for the Recreation Center projects which came in under budget since this report was printed. He noted \$100,000 will be put back into capital fund. Interim District General Winqest thanked John Eppolito for being an advocate for the kids.

Trustee Schmitz thanked him for the detailed report and financials. She said she needed clarification on page 6, under effluent, linear feet and asked that Staff not forget about additional scope. Interim District General Winqest said we can update that. Trustee Dent said that is being added to the scope for projects and that he is working on developing the scope.

Trustee Schmitz asked for an update on the U.S. Army Corps of Engineers. Interim District General Manager Winqest said Marcus Faust said it could

be a few months until we get the funds and that the pond lining is in there. Trustee Wong said Marcus Faust reiterated the agreement could take several months. There is clause in agreement where pre-agreement design expenses could be reimbursed. Congressman Amodei tried to move this along with Corps. The two parcels we were requesting, it was introduced in the house, hopefully we can get resolution.

Trustee Morris thanked Interim District General Winqest for his report and financials. He said he spoke with Interim District General Winqest about how we can simplify and receive an exception report and not an update on everything. Chairman Callicrate said he meets with the Interim District General each week and this is a great first draft. He said he doesn't know if it is a spreadsheet format or project progress report. Interim District General Winqest said it's a lot of repetition. He said on the months where there are two meetings, we can provide one General Managers report. He said he wants to report on priorities. There will be things that will be delayed. By summer, we can lock down how the report is presented.

**E.1. BOARD OF TRUSTEES UPDATE (NO DISCUSSION OR ACTION)
ON ANY MATTER REGARDING THE DISTRICT AND/OR
COMMUNITIES OF CRYSTAL BAY AND INCLINE VILLAGE,
NEVADA* (THIS ITEM I. AND WAS MOVED UP TO BE ITEM E.1.)**

Trustee Dent provided an update of the four items discussed at the Audit Committee meeting. Trustee Dent said he and Trustee Schmitz discussed earmarking or re-budgeting funds to move forward. He added no decisions were made regarding funding because the Audit Committee doesn't have authority. He said there have been discussions with Interim District General Manager Winqest over the past few weeks about addressing reoccurring concerns from citizens. He said a third party consultant can get those in writing. He said we are listening and being proactive.

Trustee Dent said that Trustee Schmitz had done a public records request for internal controls and received nothing and there is nothing written down. There are policies and procedures being put in place by the Interim Director of Finance and that we want an assessment of where we are and where we are going to go. We want to use Nevada State forms and have someone come in and assess and provide best practices on how to move forward.

Trustee Dent said there was no action taken with the Audit Committee charter. He said Trustee Schmitz is taking lead on this and it will come back

with an update at the next Audit Committee meeting. He said we are copying the charter from Washoe County and that we are developing something we never had and can make adjustments. Trustee Dent continued and said we discussed internal controls items where there are breakdowns. He said they discussed Staff training, consequences, and how it's handled internally. Chairman Callicrate thanked Trustee Dent for the update and stated will be formal update and discussion at the next Board meeting after an Audit Committee meeting.

F. GENERAL BUSINESS (for possible action)

PUBLIC COMMENTS WILL BE TAKEN AFTER AGENDA ITEMS F.1. THROUGH F.5.
Conducted in accordance with Nevada Revised Statutes Chapter 241.020 and limited to a maximum of three (3) minutes in duration

F.1. Accept the Tennis Center Renovation Project final design and authorize District Staff to publicly advertise for construction bids the Tennis Center Renovation Project [budgeted at \$1,170,000] - 2019/2020 Capital Improvement Project: Tennis Center Renovation Project; Fund: Community Services; Division: Tennis; Project 4588BD1604 (Requesting Staff Member: Engineering Manager Nathan Chorey)

Engineering Manager Nathan Chorey provided a brief project history and a review of the final design of the renovation project. Chairman Callicrate said he wasn't available for this meeting but have reviewed his report and met with Interim District General Winqest and said that this is long overdue.

Trustee Schmitz thanked Mr. Chorey for the alternatives and stated design services have not been completed. Engineering Manager Chorey confirmed the design services have not been completed, it is a not-to-exceed project, and there is outstanding work to be completed. Trustee Schmitz asked about design finishes in the alternate bid items. Engineering Manager Chorey spoke about the project finishes. Trustee Schmitz asked for the numbers to be reflected and asked about the bocce ball funds. Interim District General Manager Winqest said we took \$150,000 out for bocce. Interim District General Manager Winqest said we have no problem reflecting that in the data sheets. Trustee Dent stated he would like to get back to showing and tracking the revision on the project summary sheets. Chairman Callicrate said he appreciated Trustee Schmitz's comment about the finishes and alternate bid items but said we need to do the project right the first time

regardless if it's linoleum or tile finishes. He said he appreciates Trustee Schmitz's project management experience.

Chairman Callicrate opened the item for public comments, having no requests, he then closed the public comment period for this item and brought the matter back to the Board.

Trustee Morris moved to accept the Tennis Center Renovation Project final design and authorize District Staff to publically advertise for construction bids the Tennis Center Renovation Project. The motion was seconded by Trustee Wong. Chairman Callicrate asked for any further Board comments.

Trustee Dent said he will not be supporting this motion as it wasn't a priority set by the Board and now it popped up when we know there are other priorities such as the beach house and other venues that are used by our community. He said we do need to do something with that tennis building but this scope of work is crazy. It's a lot of money to spend on the shack at the tennis courts and he suggested packaging this. He said he understands something needs to happen there but we set priorities and that he will be voting no on this item.

Trustee Wong said she appreciates Staff listening to the community and Board and allowing us to move forward. We asked for these features to be included to see the different options and to understand the costs. She said this is a legacy project left over from master plan twenty years ago. She said tennis center patrons have been patient with us and it's finally being done for their facility. We have come to a good place with design to serve needs of community and users.

Chairman Callicrate said he was on the board twenty-two years ago when a covered a tennis facility was discussed. He said this project has waited long enough and disagreed with Trustee Dent.

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

Chairman Callicrate called for a brief recess.

F.2. Review, Discuss and Possibly Approve implementation of a three-tiered Season Pass sales initiative and rate structure for Diamond Peak Ski Resort's 2020-2021 ski season pass program (Requesting Staff Member: Diamond Peak Ski Resort General Manager Mike Bandelin)

Diamond Peak Ski Resort General Manager Mike Bandelin gave a brief overview of the submitted materials.

Trustee Wong asked if non-resident passes could bear an increase. Diamond Peak Ski Resort General Manager Bandelin provided background information on ski passes and described the pricing adjustment strategies. He said an incremental, nominal increase is fine especially for a season like this. He said we are in-line with proposed rates without getting too close or above thirty other ski resorts.

Trustee Dent asked what the non-picture pass holder increase was from last year to this year. Diamond Peak Ski Resort General Manager Bandelin referenced the packet historical increase. Trustee Dent said \$10 seems like a small increase. Trustee Dent referenced the volume of pass holders and said we have room to come up a bit.

Trustee Morris said consider what other ski resort are charging and numbers of people we are getting, and this isn't the best of season, we don't want to scare them by raising too much. He said he agrees with Trustees Dent and Wong. Trustee Morris said he loves getting a cheap ticket because we sell expensive tickets to non-residents. Trustee Morris asked if we are tracking non-resident pass holders who are pass holders at other resorts. Diamond Peak Ski Resort General Manager Bandelin said he can start asking and noted that we have a base of pass holders and we can have that conversation with them. He said he tries to talk to pass holders in the morning and he is aware they do have other passes. Pass holders like the product we provide as well as our snowmaking and grooming, and we have increased the non-resident pass holder base.

Trustee Schmitz reviewed prices at Mt. Rose Ski Resort and said we are competitive. She asked if there is value to have mid-week passes. Diamond Peak Ski Resort General Manager Bandelin said we offer the least amount of different product types. He said we offer full and mid-week that turn into full after March 1. Other resorts have blackout dates and double down

products. He said we are conservative with pass product mix and try to keep it seamless.

Chairman Callicrate said we have exceptional grooming, snowmaking, and are a premier family resort with the best view from Snowflake Lodge. He said there are opportunities to put more burden on the non-resident and increase the non-resident pass. He spoke about his concern with peak capacity and making it more enjoyable with less people on the slopes. He said he would like to see it bumped up more than ten dollars.

Trustee Morris said he appreciates Diamond Peak Ski Resort General Manager Bandelin's feedback and honesty and asked if a twenty dollar increase was too much. Diamond Peak Ski Resort General Manager Bandelin spoke about the EPIC pass and said if we went up by twenty dollars, we are just under the EPIC pass. We can withstand an increase with the service levels we provide.

The Board of Trustees and Diamond Peak Ski Resort General Manager Bandelin discussed the levels of the early bird and regular pass.

Chairman Callicrate asked if there are opportunities to bump it up fifteen dollars. He said we are a unique ski resort where you don't have to wait in long lines and that we do need to update our facilities. He suggested increasing it fifteen dollars for early bird and re-visit this discussion in the fall to adjust the prices.

Interim District General Winqest said we are talking about fifteen dollars and we may lose some pass holders. He said we want to find sweet spot by increasing pricing without losing revenue. He said because of pass pricing, we may be able to get someone for a week who will buy a pass rather than daily tickets. It's easier logistically if someone has a pass and they don't go to the ticket counter.

Trustee Schmitz asked if Diamond Peak Ski Resort General Manager Bandelin uses price models to increase passes and how that impacts operational budget. Diamond Peak Ski Resort General Manager Bandelin said he doesn't have a model.

Trustee Morris said if we sell fewer skier passes at the higher rate, that is a lot of ski passes we don't have to sell to get that same revenue. Diamond Peak Ski Resort General Manager Bandelin recommended a smaller

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increase and said we aren't going to sell out of the season pass. He said you cannot buy the EPIC passes until after October. Diamond Peak passes are available all the time. Trustee Wong said there won't be additional costs; we have an excess capacity.

Hearing no further Board comments, Chairman Callicrate opened the matter to public comment.

Jim Lyons asked about statistics of utilizations. What are the statistics on the bad weekends? He asked how many skiers do we have in a normal season.

Joy Gumz said this is yield management. Eric Severance conducted the yield management study. She said maybe someone could find that report or get back the \$35,000.

Alexandra Profant said we should allow PSI's to teach private lessons as part of season pass as there are a lot of people with PSI certifications that would love to show up and teach. There are some mountains where you earn your pass. She suggested offering a historic Ski Incline pass. If there was a pass competitive with Mt. Rose, she and her family would go. She suggested a dedicated skier-only days or skier only run. She said Crested Butte has mountain biking.

David Cauley suggested integrating summer activities into the season pass value would go a long way. He said instead of buying a 2-3 day tickets, it would be better to get the pass. He said mountain biking would add value. It's a low cost value but it would add to the pass value.

Blane Johnson said he appreciated the comment about the ten dollar increase. He said season pass sales are usually based on better snow years. Jacking up the prices on a lean ski year is short sighted. A few years back, ski resorts dropped their rates to get more people to the mountain. If you reduce rate, get more people, you could increase overall profit margin.

Jackie Chandler asked if there could be a relationship with the college in regard to resort management. The student would get credits to learn how to manage a ski resort. You have to ensure its profitable while protecting the lake. Get more labor for less money.

Aaron Katz said we spent money on the SE Group to analyze carrying capacity of 2,200. He said as resident, he wants a comfortable carrying capacity. If you care about the resident, don't ruin their day. He asked what is the revenue we generate and breakdown of the various groups. He said these facilities aren't here for non-residents. He said he is against marketing to non-residents. Make them pay more than the fifteen dollar increase for each pass and that you are comparing these in a vacuum. There are sixteen blackout dates at Northstar. Diamond Peak doesn't have blackout dates. That is a marketing advantage that hasn't be promoted. He said increase it forty dollars and don't tell him that the two million dollar profit is helping us. He said he should ski for free and hire the experts.

Michaela Tonking said it would be interesting to dig deeper when the passes are being purchased. She spoke about deadlines and increasing the pass rate to see people investing in it a little differently.

Hearing no further public comment, Chairman Callicrate brought the matter back to the Board.

Trustee Morris said he is nervous to make a big increase after this low snow season as we don't know if we will get more snow next year. He thinks that ten dollars is the right recommendation.

Trustee Wong suggested somewhere between ten and twenty dollars.

Trustee Schmitz said we need to be competitive and that changing it by ten or twenty dollars will not prevent them from purchasing a pass. She said we could increase it and not have negative impact on purchases. This season is not a great season for a large increase but twenty dollars isn't too much.

Trustee Dent said twenty dollars is good.

Chairman Callicrate said twenty dollars is good for now.

Diamond Peak Ski Resort General Manager Bandelin thanked the Board for the feedback and asked for clarification – is that twenty dollar increase for all three tiers and noted that he is comfortable with that increase across all three tiers.

Trustee Wong moved to approve a three-tiered season pass pricing structure, effective March 14, 2020 for Diamond Peak Ski Resort's

2020/2021 season passes including an Early Bird (Tier 1) through April 30, 2020, a Preseason (Tier 2) May 1 – October 31, 2020, and a Regular Season (Tier 3) rate, beginning November 1, 2020 through the end of the ski season in 2021. Trustee Morris seconded the motion. Chairman Callicrate called the question and the motion carried unanimously.

Trustee Wong moved to approve a Non Resident ski season pass rate increase of twenty dollars (\$20.00) to all pass products included in the Early Bird (Tier 1), Preseason (Tier 2), and Regular Season (Tier 3) categories excluding the 6 & Under and the 80+ products from the increase within all three tiers. Trustee Morris seconded the motion. Chairman Callicrate called the question and the motion carried unanimously.

Trustee Wong moved to approve a zero dollar increase to Resident ski season pass products included in the Early Bird (Tier 1), Preseason (Tier 2), Regular Season (Tier 3) categories as well a zero dollar increase to all Resident daily lift ticket products. Trustee Morris second the motion. Chairman Callicrate called the question and the motion carried unanimously.

F.3. Review, discuss and possibly restrict \$9,656,890 to the Effluent Pipeline Project, Project #2524SS1010 from the Unrestricted Net Position in the Utility Fund effective March 12, 2020 (Requesting Staff Member: Interim District General Manager Indra Winquest)

Interim District General Manager Winquest introduced the item and said there has been a lot of discussion after the workshop. He wanted to make sure we had this discussion in order to restrict funds at this point. He said we didn't include pond-lining project and that there was formal direction on how much to set aside for pond lining.

Chairman Callicrate said the Board had a lengthy discussion regarding restricting funds for the effluent pipeline and that as of today, we can only restrict \$9.6 million dollars. Interim District General Manager Winquest said we will bring this back to restrict the funds for the project.

Trustee Dent asked about including future funds to this motion. District General Counsel Velto said he would be hesitant. Chairman Callicrate said both the Interim District General Manager and the Director of Public Works

understands we can bring it back. He said let's take action on specifically what we want to do today and bring back on a future agenda item for future funding. Interim District General Manager Winquest said he wanted to get this on the agenda because there are members of the public who feel these funds are being spent down and we want to restrict them to this project.

Trustee Schmitz asked if we can back out the \$70,000 charged to that project. She said \$70,000 has been used and doesn't know how or when that was approved. The community has been under the impression the two million dollars was for the effluent pipeline. In this particular Fiscal Year, we got another \$70,000. Interim District General Manager Winquest said we can discuss this with Staff and bring it back.

Chairman Callicrate said that \$70,000 of the two million dollars has been spent and that we can rectify that and modify what we have listed so there is no confusion.

Trustee Wong said if \$70,000 was spent on pipeline, it's reasonable that it would be charged against the two million and move forward with \$1.9 million.

Chairman Callicrate said he wants to be more clear.

Hearing no further Board comments, Chairman Callicrate opened the matter to public comments.

Margaret Martini said she strongly supports restricting \$9.6 million to be used solely for the effluent pipeline of the six miles of failing pipeline. She said two million dollars was collected for more than seven years which was supposed to fund this project. It's unfortunate the District repurposed those funds to fund other projects. She said restrict two million dollars for 2020 and subsequent years.

Alexandra Profant agreed with Margaret Martini.

Aaron Katz read and provided a prepared statement.

Mark Alexander said please consider your and their words closely. They were talking about replacement. He spoke about slip lining instead of digging a ditch and dropping in new pipe. He said consider the type of work. He spoke about consequences. He said without consequences, there won't be changed behavior.

Hearing no further public comments, Chairman Callicrate closed public comments and brought the matter back to the Board.

Trustee Morris said he wanted clarification on restriction to a phase or the entire project. Chairman Callicrate said it is restricted for the effluent pipeline project in its entirety from overflow to the wetlands. We are making a commitment of \$9.6 million for the pipeline project. We have additional things we will have to address. He said it's not a bait and switch. If we restricted it to one specific point on the pipeline, and have a break somewhere else, that won't be helpful.

Trustee Schmitz said there were concerns in the community. Funds have been spent from this project for emergency repairs. She said this is for replacement and mitigation and not repairs. Trustee Schmitz spoke about the project summary as replace, upgrade, and remediate in project description. Interim District General Manager Winqest said he can bring this back with updated wording.

Trustee Dent said the capital improvement budget is on the March 25 agenda with project summaries and budget summaries.

Chairman Callicrate said the restriction of funds is on this agenda item.

Trustee Morris made a motion that the Board of Trustees restricts \$9,656,890 to the Effluent Pipeline Project, Project #2524SS1010 from the Unrestricted Net Position in the Utility Fund effective March 12, 2020. Trustee Dent seconded the motion. Chairman Callicrate asked if there were any additional Board comments.

Trustee Wong said that Staff has provided a history of the pipeline and gave a full accounting of what was spent on pipeline.

Chairman Callicrate, hearing no further comments, called the question – the motion was carried unanimously.

Chairman Callicrate called for a brief recess.

F.4. Review, discuss, and possibly authorize the Audit Committee Chair to engage an independent expert for a sum not to exceed \$35,000 to give an opinion and/or guidance on the issues raised

by the Board of Trustees regarding the District's 2019 CAFR as well as guidance on accounting policies used in the preparation of the District's financial statements. (Requesting Trustee: Audit Committee Chairman Matthew Dent)

Trustee Dent stated he provided an overview earlier in the meeting and will answer any questions.

Trustee Morris said he feels that this motion is premature because we don't have a Finance Director on staff yet, there wasn't a defined scope of work, asked where did the \$35,000 come from and asked if anyone has spoken to any consultants yet. Trustee Morris continued and said that the Trustees on the Audit Committee said they would work offline on the scope of work but that would have been an open meeting law violation and it's an unbudgeted item. For the past ten years, we were criticized for unbudgeted items. He said we should wait for the new Finance Director. He said he has concerns with the way the motion is written as it's ill defined.

Chairman Callicrate asked District General Counsel Velto if two members of the Audit Committee are allowed to discuss. General Counsel Velto said if the Board has three members, and two convene to create a quorum, it's a difficult situation. District General Counsel Velto said he would like to look into subcommittees. Trustee Dent said he wouldn't be able to speak to Trustee Schmitz if that is the case. District General Counsel Velto said not about particular topics. Chairman Callicrate said we need to review the Nevada Revised Statutes regarding if a standalone body can decide how that money is spent on this particular item. District General Counsel Velto said as the agenda is written, the phrase "engage" is used therefore it's fair to interpret it to include all solicitation of approval and execution given authority to Audit Committee to allocate money used and executed. Chairman Callicrate asked if District General Counsel has reviewed this item. Trustee Dent said in the past, the General Manager and Committee Chair worked together on agenda items. Trustee Wong said she would like to know if Board members have submitted comments to Staff prior to CAFR. Trustee Dent said he didn't get his information that he requested for a month. Chairman Callicrate said he didn't have meetings but has brought up his concerns over the years. Trustee Wong and Trustee Morris said they submitted their comments and had no issues. Trustee Wong asked where the proposed expense will come from; Trustee Dent said it will come from the General Fund.

Hearing no further Board comments, Chairman Callicrate opened the matter for public comments.

Alexandra Profant said she endorse this item and said if something is important that needs to be discussed, there needs to be a witness there.

Margaret Martini said after years of allegation and unlawful accounting, she recommends approval of this item to hire an independent expert for the District 2019 CAFR as well as guidance on account policy on financial statements and compliance with all laws and general account principles.

Joe Schultz said it's appropriate for the committee to make this decision along with the next item. Giving authority to one person is more than one should bear.

Hearing no further public comment, Chairman Callicrate brought the matter back to the Board.

Trustee Schmitz said she discussed, with Trustee Dent, the specific scope of questions so we are being fiscally responsible. Questions need to be answered. The CAFR had facility fees for special revenue funds that were changed. She said the actuals were changed without Board approval. They need to be reviewed and restated. She said we need to be specific on what we want reviewed.

Trustee Morris asked how they arrived at thirty five thousand dollars. Trustee Dent said he has spoken with firms and it sounded like a fair number as a starting point. Trustee Dent said he didn't want to have to come back to the Board for more money. He said we will try go about this as precise as we can and make sure we aren't wasting public funds. Trustee Dent said we need to get answers and move forward.

Trustee Morris asked what agencies Trustee Dent has spoken with. Trustee Dent said they are firms that have worked with neighboring municipalities. He said he has reached out to members of the League of Cities board and discussed with colleagues there for recommendations on firms. Trustee Morris said it's clear there is an ill-defined scope of work. Trustee Morris asked how can you come up with number when there are new items coming up today. Trustee Morris questioned if Trustee Schmitz was able to speak with Trustee Dent prior to the meeting. Chairman Callicrate said we discussed this in an open meeting about the need to hire independent firm.

It was brought up over the past years prior to Trustee Schmitz being on the Board. It is public information of what was discussed and backroom discussions is not the case; it's all been discussed in the open. Chairman Callicrate said the Board Treasurer needs to have this information at their disposal to find out unanswered questions.

Trustee Schmitz said she understands there are many questions that have been brought up by the Board and community. The community deserves clarity and answers, in writing, with tangible information. The same questions come up time and time again and we need answers so we can move forward. The scope needs to be defined clearly so we can accomplish the goal in the most fiscally responsible manner. She said she will take responsibility to oversee this. Trustee Dent said the intention of this agenda item was to earmark these funds, the fiscal year is coming to an end, and that he met with Interim District General Manager Winquest and we feel we need \$35,000.

Trustee Wong said the difficult part to reconcile is that any questions she has had, she would speak with Staff and the General Manager to get answers. She said she feels this comes down to mistrust in our former General Manager and former Director of Finance. She said we have an opportunity with the new General Manager and new Director of Finance to start fresh and anew. She said take responsibility as a Board member and use Staff as resources.

Trustee Morris asked Trustee Schmitz if the item she referenced was discussed with Staff. Trustee Schmitz said she discussed it with the District's Controller, it is information brought forth from public questions, and that she investigates and digs to see if there is an issue and that what was done will require the CAFR to be restated. Trustee Morris thanked Trustee Schmitz and said that it underscores his concern, he is in favor of understanding controls and understanding if we need consultants to come in. He said we cannot keep putting things on the Interim District General Manager. He said some Board members want to spend on an undefined scope. He said Trustee Dent had discussions with firms, and Trustee Schmitz brings up new items she wants addressed. Trustee Morris said his point is to get the Director of Finance on board and provide direction. Trustee Schmitz said she agrees; however, what Trustee Dent proposed addresses both concerns and it should be open and transparent. She said we can earmark it but then bring the scope of work back before anything is transacted. Trustee Morris asked what if it comes back for a different price. Trustee

Schmitz said we need to bring clarity and get answers to constituents' questions.

Chairman Callicrate asked District General Counsel Velto how to set aside \$35,000 with the agenda item standing as written. District General Counsel Velto said his concern is to keep it clear and complete. He said what you are asking is to earmark for a future action item. He recommended not changing the item. The Board can amend it to earmark it for potential action item in the future.

Trustee Dent said we can do it tonight even if it will challenge the Open Meeting Law and noted that previous General Managers made variations of the motions. District General Counsel Velto said he is being cautious but it's the Board's choice.

Trustee Morris asked how much hardship would there be if we bring this back with more clarification and could we delay this agenda item. Chairman Callicrate said he doesn't have an issue with it and can come back with scope of work. He said at that point, we will have a placeholder, but no money is expended until the scope of work is presented.

Trustee Schmitz made a motion to authorize the Audit Committee Chair to engage an independent expert for a sum not to exceed \$35,000 to give an opinion and/or guidance on the issues raised by the Board of Trustees regarding the District's 2019 CAFR as well as guidance on accounting policies used in the preparation of the District's financial statements. Trustee Dent seconded the motion. Chairman Callicrate asked if there were any further Board comments.

Trustee Morris said he will not support the motion as stated because it doesn't include the new items raised by Trustee Schmitz. Chairman Callicrate said its addressed "as guidance on accounting policies." Trustee Morris said we definitely need scope of work and that this opens us to an Open Meeting Law violation. Trustee Wong said she will be opposing this motion.

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

F.5. Review, discuss, and possibly authorize the Audit Committee Chair to engage an independent expert for a sum not to exceed \$45,000 to facilitate internal controls assessment including but not limited to recommend internal controls, policies and procedures for District businesses and functions, including auditing the accounting and reporting of the punch card utilization for the last 4 to 7 years. (Requesting Trustee: Audit Committee Chairman Matthew Dent)

Trustee Dent stated we will hold off on accounting punch card utilization and that this would be removed from this item. Chairman Callicrate asked District General Counsel Velto about that extraction. General Counsel Velto said that would be fine.

Trustee Morris said the Audit Committee was discussing putting this on the previous item and asked what has been allocated for Staff and budgeted for this item. Interim District General Manager Winqest said zero. Trustee Morris asked how can we have a consultant come in and work with Staff if it wasn't budgeted, how did we arrive at \$45,000, who are the firms, and that money spent on consultant is a good idea when we know what it will be for. This is premature as the Director of Finance isn't on board yet and that he is suggesting that the review the Audit Committee meeting as it was scattered. Trustee Morris continued that we have to be careful that the Board would give authority to the Audit Committee without oversight on the firm being engaged. Trustee Morris said the report said there isn't a financial impact but we haven't had that analyzed yet. He said we don't have anything for a consultant to look at yet. It's an ill-timed, ill-determined, and there is no scope. We need to have a better-defined scope before we allocate money.

Trustee Dent said concerns about punch card utilization issues has been raised over the years and internal controls aren't there. He said Trustee Schmitz requested public records and got nothing. He said Interim District General Winqest is putting controls to paper and we are using state forms. We will see if there are things that aren't in writing and we can implement it across the board. He said as far as a scope of work, there isn't much to development. He said we are relying on experts on internal controls, policy and procedures. He said he looks forward to discussions with the Director of Finance as he will have valuable input. Trustee Dent said he doesn't know how the scope can be more clear as we are working on getting best practices with internal controls.

Trustee Wong said she wanted to clarify something - we don't not have internal controls; we do have internal controls. They might not be in statements that can be handed over to someone but we always have had them. It's the same processes the new Director of Finance will have to do to understand and identify any gaps in financial framework.

Interim District General Manager Winqest said we are trying to hit the reset button and that he spoke with Trustee Dent about waiting for the new Director of Finance to look at internal controls and that he echoes what Trustee Wong said. We don't have a formal document as a public record and we are all in favor of hiring a third party to look at internal controls. It's not like no one oversees the transactions. We are hoping someone can show where we can improve and implement industry best practices and that he wants this to happen as he wants clarity too. He is tired of being beat up and if there is nothing wrong, he wants to hear it. He said senior management get disgusting emails from the public, and it's not fair to Staff. Yes, we need to move forward to hire to review internal controls. He fully understands he may get backlash regarding his decisions however he is hopeful that in six months, we can hit the reset button, and that the community and Staff can move forward.

Trustee Morris said Staff time is needed to help the external consultant review internal controls and that this hasn't been budgeted.

Trustee Dent said that this is formalizing a foundation for Staff and moving forward with recommendations to facilitate internal controls assessment and policy and procedures.

Trustee Morris asked if Interim District General Manager Winqest will alone work with the consultant. Interim District General Manager Winqest said he isn't clear of the Staff needed for project and that Staff is busy. We need to be realistic about what we are doing here as it will take time and it must be methodical. He said there have been critical community members who think things happen overnight. He spends between three and four hours with the Board Chair to strategize and build trust as no District General Manager can be successful without trust. Let's set aside ego for the betterment of our community and move forward.

Chairman Callicrate said he appreciates Trustee Morris' comments and that it is critical to give direction. The external consultants can find deficiencies or not and vindicate and validate what we have been doing. They can identify

areas where we messed up, fix it, and move on. There are some frustrations that we couldn't get it done already; it's the right intent and the Audit Committee independently oversees District assets. The appropriate charter will be adopted later and these are hypotheticals at this point. We are working to the same result and this is a critically important aspect to finalize internal controls that are deficient. Eide Bailly mentioned deficiencies in the past and we need to tighten it up.

Trustee Wong said she would authorize this if the Audit Committee would work with the Interim District General Manager and Director of Finance to develop of scope of work and participate in the process. Interim District General Manager Winqest said that was recommended in the beginning. Trustee Wong said she wants that language in the motion if she is going to support this motion.

Chairman Callicrate opened the matter to public comment.

Margaret Martini said although management has represented financial statements have been prepared with a framework of internal controls, no one has produced policy or practices. Apparently, they don't exist. She said taxpayers have no confidence in the District's financial statements. This is a good step forward in ensuring our financials are free of fraud and material errors. There cannot be enough said about punch card utilization and punch card scheme. For the last seven years, there have been unlawful transfers of the Recreation Fee to beaches. More than 765 Crystal Bay residents are paying for beach expenses they cannot use; it's criminal. It's double booking revenues and distorting the financial statements. Please approve budget to engage independent audit and take immediate action.

Jim Lyons said he said he came out of government and then the contractors' industry and that we did ISOs. In addition to having an auditor come in, Staff needs to be documenting for every single process. The supervisor could do documentation with guidance and controls.

Alexandra Profant said when she was a kid going to the beaches, there were no computers, it was simply a pass. She didn't believe there were punch cards. She said she cannot overstate that the beaches need to be preserved for the residents. She spoke about interfacing with assessor's office with these controls. She said she would be willing to participate in writing down better controls and better outreach to community to become part of it. Volunteer efforts could become a component of this.

Frank Wright said for \$35,000, we have three pages from Mr. Severance that he plagiarized from the Internet. We lost a ton of money with the pond liner and Trustee Morris wasn't concerned. If you go another week without putting this in force, it's insane. This will put community at rest. Trustee Morris is trying to trick you. It should be chilling that he is preventing anyone from looking at the books. Follow through and do it. He said he asked Trustee Morris about internal controls and framework during his time on the Audit Committee. The Board is supposed to provide oversight. That works with legal fees and anything that goes on here. He said he sees a hold over to screw with new Board to make you look bad.

Mark Alexander said he started attending Board meetings about fifteen years ago which was several Boards ago and in the Horn era. He asked for a forensic audit then and it fell on deaf ears. During the Pinkerton era, it didn't get done. We need someone to review processes, procedures and compliance; they need to do a forensic look. He applauds the Trustees for pushing this as we have asked for this for years. He said he got tired of asking and stayed away. He attends now and applauds action. Persevere and get to the bottom of this. There is lack of confidence on where is the money going and the pond lining is a great example.

Michaela Tonking agreed about internal control audit. She said she has worked as auditor and that it's important to work with Director of Finance and identify areas that are deemed at risk and areas to help support Staff in doing their jobs better.

Hearing no further public comments, Chairman Callicrate brought the matter back to the Board.

Trustee Schmitz said that she agreed with Trustee Wong's statement and said that the intent is to work with the Interim District General Manager and the new Director of Finance to find gaps and make things clearer. Trustee Schmitz then asked District General Counsel if the Board has the ability to add language to this motion. District General Counsel Velto said yes. Chairman Callicrate said we will work together but maintain independence of Audit Committee per Nevada Revised Statutes and stated that he is concerned if we add people, does it skew the independence of Audit Committee.

Trustee Dent made a motion that failed due to lack of a second to his motion.

Trustee Schmitz made a motion that the Board of Trustees authorize the Audit Committee Chair to engage an independent expert for a sum not to exceed \$45,000 to facilitate with coordination with the Interim District General Manager and Director of Finance for internal controls assessment including but not limited to recommend internal controls, policies, and procedures for District businesses and functions. Trustee Dent seconded the motion.

Chairman Callicrate asked if there was any further Board discussion. Trustee Wong said she objects to spending money but supports the Interim District General Manager working in coordination. Trustee Morris said he will support this motion because Interim District General Manager Winquest needs the best help he can get and that he appreciates him. Trustee Morris then said, addressing the public comment from Mr. Wright, that it is the typical attack and that he isn't against spending money on what it is for, and it is for good, but rather his objection was that this Board didn't know the scope of work. Trustee Dent said he looks forward to future Boards having internal controls which are lacking.

Hearing no further Board comment, Chairman Callicrate called the question – the motion was unanimously passed.

The Board took a ten minute recess.

F.6. Overview of the District's DRAFT Operating Budget – Fiscal Year 2020/2021 (Requesting Staff Member: Interim District General Manager Indra Winquest).

Interim District General Manager Winquest noted that the sheet labeled TWSA should instead read Solid Waste.

Trustee Schmitz, referencing agenda packet page 134, said beaches are a special revenue fund but other special revenue funds aren't represented that way. Interim District General Manager Winquest said we don't have overall community services rollup with that same look as the beaches. Interim District General Manager Winquest referenced agenda packet page 89 of overall budget and said that Staff has reduced \$300,000 in the operation budget and that it's actually less than Fiscal Year 2017/18 and that Staff did

a fantastic job of looking at this. This means that we are giving thirty five dollars back to capital as we have increased our need for capital. Trustee Morris complemented Interim District General Manager Winquest on working with Staff to find a 11% in reduction in costs of operations.

Presentations by Venue Managers in following order:

a. Championship Golf Course – Director of Golf/Community Services Darren Howard.

Director of Golf/Community Services Darren Howard noted a typographical error and asked that it be corrected to read 2020/21.

Trustee Morris said he appreciated Staff getting us on the right side of golf as this is a huge step forward. Overall, Staff is doing a good job. There will be ongoing discussion about the food and beverage breakout. Thank you for these numbers to help us understand.

Trustee Schmitz, referencing agenda packet page 94, said she is thrilled with the numbers. She stated charges for services jumps from \$274,000 to \$1.3 million. Interim District General Manager Winquest said at the request of a Trustee, if we took catering out, that is where the huge increase is. He said he wanted to show the amount coming out of banquets and events. Trustee Wong said that might be the first year we tracked it separately. Director of Golf/Community Services Howard confirmed it was the first year it was tracked differently. He said we right sized it and showed where the time is being spent and noted that Staff got that dialed in. Trustee Schmitz asked if food and beverage is reflected just for golf and not at beach. Director of Golf/Community Services Howard said this is just the Championship Golf Course.

b. Mountain Golf Course – Director of Golf/Community Services Darren Howard

Trustee Morris asked about the sales on agenda packet page 97. Director of Golf/Community Services Howard said its merchandise, green fees, and food and beverage.

Trustee Schmitz asked if we can include the capital budget. Interim District General Manager Winqest said the Board will hear the capital budget presentation on March 25, 2020.

Trustee Schmitz, referencing agenda packet page 97, said regarding the same number that Trustee Morris was asking about and noted that it is a big increase. Director of Golf/Community Services Howard said we budgeted for ten percent more in rounds and that we have raised fees up there.

**c. Diamond Peak Ski Resort – Diamond Peak Ski Resort
General Manager Mike Bandelin**

Diamond Peak Ski Resort General Manager Mike Bandelin noted a correction on agenda packet page 100. He then referenced the Staff hours in Fiscal Year 2019/20 and said the total is the same but flipped Staff time and salary time. Diamond Peak Ski Resort General Manager Bandelin said we won't have to amend the budget this year as it is reminiscent of the 2017/18 year. He said the two weeks in March allowed us to exceed 100,000 skier visits. Chairman Callicrate complimented the team on what they could do with snow levels. Trustee Morris complimented them on doing a tremendous job. Trustee Schmitz said it indicates Diamond Peak contributes \$200 of the Recreation Fee back to Community Services fund; \$1.6 million contributed.

d. Marketing – Marketing Manager Paul Raymore

There were no questions for Marketing Manager Raymore.

**e. Facilities – Director of Golf/Community Services Darren
Howard**

Trustee Schmitz, referencing the revenue on agenda packet page 111, said it says road closures and concern for this budget year. Chairman Callicrate said it's for those touring for weddings. Trustee Schmitz said she thought she heard we were booked. Interim District General Winqest said our Staff was concerned about road closures for those touring wedding sites that would be booking for 2021. Director of Golf/Community Services Darren Howard said he thought she meant other events and not so much weddings. He said this note

was just for December as it is engagement season during the Christmas season; Director of Golf/Community Services Howard said will clarify with Staff.

f. Recreation Center – Interim District General Manager Indra Winquest

Chairman Callicrate asked if this is for all programming or any programming through Recreation Center and he asked for a list of programs. Interim District General Manager Winquest provided an example and referenced agenda packet page 121 - youth and family sports. He said within this budget is all sports. He said, on agenda packet page 120, are the youth and family programs and they are separate operating areas. Interim District General Manager Winquest said he hasn't listed all programs and whether they are cost neutral or subsidized. Chairman Callicrate asked if the programs are all through the Recreation Center but are hosted throughout District. Interim District General Manager Winquest said yes, there are programs held at the ball field, but golf's youth programs are in golf programming. He said parks and recreation programming is rolled-up in Recreation Center programming. Chairman Callicrate said he wanted to see all the programs offered to show the community what we do and track financially; an all in one document. Interim District General Manager Winquest said we do post program financials to analyze the program. There are some programs that we look at right sizing and that there are some programs that will be subsidized and an example is Senior Programs. Interim District General Manager Winquest referenced agenda packet page 116, Programs. He said what is missing is financial information with those programs listed such as total revenue accumulated, expenses, and factor in Staff time to run the program. Trustee Morris said that is a lot of work diving into the weeds. We need to rely on managers of recreational services. If we get a financial for each of these programs, it seems like a lot of work and then what do we do with it; what is the goal. Interim District General Manager Winquest said so the community members can see what is subsidized and how the programs perform financially. Trustee Schmitz said you do that already. Interim District General Manager Winquest said we run post program financials and that there are new programs that we haven't done post program financials. Chairman Callicrate said we need to show and celebrate what we offer to the community and that we need to prioritize on what the community wants. Trustee Wong

spoke about the cost recovery pyramid that was presented a few years ago and said we can use it to analyze what programs are being subsidized. Interim District General Manager Winqest said he can put that together quickly and that Staff did present the pyramid methodology and that he spoke about the heavily subsidized and revenue making programs on the pyramid. He said different agencies analyze subsidies differently based on how they allocate Staff time. He said he can provide that pyramid method.

Trustee Schmitz asked about agenda packet page 115 and asked if we have lifeguard referenced at the beaches as some aquatics are associated with beaches. She asked shouldn't they be with the beach fund instead of community services. Interim District General Manager Winqest said aquatics crosses over both cost centers. He said he can split it out. She said not all our residents have beach access so to allocate it to all community services doesn't seem right. Interim District General Manager Winqest said he will show separate sources and uses in the beach section. He said aquatics is included.

g. Community Programming – Interim District General Manager Indra Winqest

h. Parks – Interim District General Manager Indra Winqest

There were no questions from the Board.

i. Beaches – Interim District General Manager Indra Winqest

Trustee Schmitz, referencing agenda packet page 133, asked about the beach aquatics and asked what was the \$7,000 for charges of services but the total is \$47,000 and does it mean we have a \$40,000 loss. Interim District General Manager Winqest explained that we have swim lessons at Burnt Cedar just for residents. He spoke about chemicals, uniforms, lifeguard rescue gear, and other factors that are needed to operate beach aquatics. He said there are line items in opengov.

j. Tennis – Interim District General Manager Indra Winqest

There were no questions from the Board.

k. Community Services Administration – Interim District General Manager Indra Winquest

Trustee Schmitz, referencing agenda packet page 143, asked why charges for services is negative. Interim Director of Finance, Lori Pommerenck said it's the contra account for the punch cards. Interim District General Manager Winquest stated we may potentially change punch card accounting. He said we are populating it since we have switched to special revenue funds, but especially when we transition back to enterprise funds. He said additional revenue is for replacement of cards, transfer of titles, etc.

Chairman Callicrate asked about the visits to the Recreation Center. Interim District General Manager Winquest said he sent an email stating those are all the touch points. Chairman Callicrate requested a foot note. Interim District General Manager Winquest provided a breakdown of the total visits. He said there are counters on the doors. He said patrons sit in lobby, use the restroom, go downstairs, and we are counting those visits as requested. He said there were some double counting but it is being cleaned up and yes, there is margin of error. We try to project what happens at the parks but don't have a solid number.

Interim District General Manager Winquest provided an update regarding the tax revolt. He said there is a potential settlement and right now we don't know if they will be taking it out of the ad valorem tax or if we have to pay it back out of general fund reserves. He heard it was a three year pay back. He said we feel like we are in a good place. As soon as we find out, we will be planning for this.

Interim District General Manager Winquest spoke about the punch card promotion and said that last year we did the punch card promotion at the Mountain Golf Course and then included the Tennis Center. He said it was very popular and we need to have that discussion whether to offer again or not.

The Board took a brief recess.

I. Public Works - Water – Director of Public Works Joe Pomroy

Director of Public Works Joe Pomroy provided a staff report for his area of operations.

- m. Public Works - Sewer – Director of Public Works Joe Pomroy**
- n. Public Works - Solid Waste – Director of Public Works Joe Pomroy**
- o. Public Works - Tahoe Water Suppliers Association - Director of Public Works Joe Pomroy**

Trustee Morris asked where the funds will come from to pay for the consultant to oversee things. Interim District General Manager Winqest said the project management review and scope of service will come from effluent pipeline project capital fund. He said the money comes from the \$9.565 million. Trustee Morris thanked him and said we are on the same page.

Trustee Schmitz asked about costs related to Waste Not and asked if they are in the Water Suppliers Association budget. Director of Public Works Joe Pomroy said Waste Not is the recycling program for the community which is in the solid waste fund. He said everything that has to do with waster shed protection is in Tahoe Water Suppliers Association and Madonna Dunbar is the Director of Tahoe Water Suppliers Association and is the Resources Conservationist in charge of Waste Not which is e-waste, household hazardous waste, trash enforcement and violations.

- p. Internal Services (Fleet and Engineering) – Director of Public Works Joe Pomroy**
- q. Internal Services (Buildings) - Director of Golf/Community Services Darren Howard**
- r. District Administration - Interim District General Manager Indra Winqest**

Trustee Wong said Interim District General Manager Winqest had mentioned the reduction of 11% but on agenda packet page 89, personnel and services and supplies have gone up. Interim District

General Manager Winqest said that is with revenue. He said costs are going up with inflation in labor. He said it's hard to trim the fluff and our strategy is to reduce costs and increase revenue. Trustee Morris said he likes this format and can drill down with Opengov.

Trustee Schmitz said if we decided to go from special revenue funds back to enterprise funds, how much change does it create for budgets. Interim Director of Finance Pommerenck said if approved by the Board, it would affect the CAFR and the rollup, but our chart of accounts and funds would be the same. Trustee Wong said if there is potential of this happening, it needs to be on the agenda relatively soon. Interim District General Manager Winqest said he was hoping to get the new Finance Director on board and look at it. Interim District General Manager Winqest added that we can meet late next week with the Department of Taxation and that they are requiring a meeting to discuss the justification to go back to enterprise fund and discuss the requirements to make that transition.

The Chairman and the Board members thanked the Interim District General Manager and Staff for their presentations.

G. APPROVAL OF MINUTES (for possible action)

G.1. Meeting Minutes of January 29, 2020

G.2. Meeting Minutes of February 12, 2020

G.3. Meeting Minutes of February 26, 2020

Chairman Callicrate asked for any changes to the minutes; hearing none, he said that the minutes were approved as submitted.

H. REPORTS TO THE IVGID BOARD OF TRUSTEES*

H.1. District General Counsel: Law Firm of Hutchison & Steffen

a. Report on the Katz Case – Nevada State Supreme Court Ruling - Denial of Motion of En Banc Reconsideration

District General Counsel Alex Velto provided an update on two things - first, Mr. Katz' lawsuit. He said Mr. Katz sought en banc consideration of the

appeal; that was denied. The next step for the Supreme Court is to issue remitter which means the case is complete in the court system. It is possible that Mr. Katz will appeal to the United States Supreme Court. In which case, he would stay the remitter. If he doesn't appeal, the case will be complete. There were a fair amount of attorney fees and costs awarded to IVGID. It's unclear the time period to pay that out but it needs to happen within a reasonable time after a lawsuit. Trustee Wong asked how long does he have to appeal to United States Supreme Court. General Counsel Velto said he has to file his appeal or stay within 20 to 40 days until Nevada Supreme Court files a remitter, so he has to file his appeal or stay of the remitter in that time period and file with United States Supreme Court. The United States Supreme Court could decide not to hear the case as that is at the courts discretion. Trustee Schmitz asked about expending legal resources on this effort. District General Counsel Velto said we are obligated to respond if he appeals or stays remitter otherwise we risk losing the entire suit. He said the amount of money that goes to IVGID would exhaust this process is \$250,000 and its worthwhile to not give up the fight.

District General Counsel Velto made note the need to possibly have meetings remotely regarding the coronavirus. We have to listen to Governor's office or Washoe County regarding conducting public meetings. Online meetings may need to happen in the future.

Trustee Schmitz asked if they can have an update regarding Trustee emails. Interim District General Manager Winquest provided background information regarding IVGID email forwarded to gmail. He said we are looking at better benchmarking and options. There were emails that were not getting forwarded. We identified a few with Trustee Dent and Schmitz. People with AOL emails weren't getting forward. There has been an app created for IVGID email. District General Counsel Velto said as long the email are confined to the app, they are public record, easier to access and doesn't put personal email at risk. Chairman Callicrate said many emails were lost. He is glad that has been rectified. Interim District General Manager Winquest said Trustee Schmitz was the test and it's working. There is paperwork to sign and Board members need to take cyber security training.

I. **BOARD OF TRUSTEES UPDATE (NO DISCUSSION OR ACTION) ON ANY MATTER REGARDING THE DISTRICT AND/OR COMMUNITIES OF CRYSTAL BAY AND INCLINE VILLAGE, NEVADA* (THIS WAS MOVED UP TO BE ITEM E.1.)**

J. PUBLIC COMMENTS*

Frank Wright said internal controls were talked about tonight. They are there but we can't see them. They have to be there for public records. That's a huge problem that people didn't get the public record. He said he cannot take swim lessons at Burnt Cedar. You have a community that has been divided. He said he paid \$780 but has to stay away from the beaches. It needs to be addressed. He asked when we get our money back. He said we have same legal team and has issues with District General Counsel's partners because they sue our citizens. He said he has been in litigation and it's not right. He said Trustee Wong wants our money and that she runs up bills without Board approval. Trustee Morris voted the right way for the wrong reasons because he wants to help the Interim District General Manager. Regarding the Katz lawsuit, \$850 was the original amount he was asking and he spent \$260,000 of our money to defend the District against Mr. Katz, and probably another \$200,000 on appeal to the Second Judicial Court and now possibly the United States Supreme Court. He will be attacked if he goes to the United States Supreme Court which is his first amendment right. Everyone has a right to petition their government. He said the United States Supreme Court will jump all over this and he will get a hearing. The question will be first amendment rights to petition your government. He said that will cost the District a lot of money if he wins.

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

Interim District General Manager Winquest reviewed the Long Range Calendar. He said the capital budget meeting will be at the Administration building and it will be a robust discussion. He said we will review capital revenue and funding. Chairman Callicrate requested the ski item to be on General Business. Interim District General Manager Winquest said it's still the plan to bring back the no smoking resolution. He said we are working on the Board packet deadline. We talked about pushing out the handbook to the 4/14 meeting. We have to bring back an item to approve the auditor. He said the guest access ticket will be reported in District General Manager report. If you want it brought back at a later date, we can do so. He spoke about the Recreation Roll, revised ordinances, and Ordinance 7 public hearing dates. He said the water reservoir contract award and the preliminary Recreation Roll will be on the May 6 agenda. Not included is potential GM contract and he will be meeting with Chairman Callicrate to work on a contract to bring to the Board. He said we are discussing a special meeting. He also spoke

about a proclamation for the high school basketball teams. He said the Chateau is available on May 23/24 or we could do the following week. He asked if they want a special meeting and if they were available. The week of March 30 would work for everyone. He said worst case scenario is it can be on the 4/14 agenda. Trustee Schmitz requested the item regarding enterprise budgeting. Interim District General Manager Winqest said we need to meet with the State; they may want the auditors to chime in. Trustee Schmitz asked about scheduling an individual capital improvement tour with Staff.

L. ADJOURNMENT (for possible action)

The meeting was adjourned at 12:23 a.m.

Respectfully submitted,

Misty A. Moga
Acting District Clerk

Attachments*:

*In accordance with NRS 241.035.1(d), the following attachments are included but have neither been fact checked or verified by the District and are solely the thoughts, opinions, statements, etc. of the author as identified below.

Submitted by Aaron Katz (6 pages): Written statement to be included in the written minutes of this March 11, 2020 regular IVGID Board meeting – Agenda Item G(6)(b) – Because local parcel/dwelling unit owners should not be subsidizing the costs of access to Mountain Golf, a minimum of \$221,481 of the course’s proposed expenses should *not* be budgeted

Submitted by Aaron Katz (6 pages): Written statement to be included in the written minutes of this March 11, 2020 regular IVGID Board meeting – Agenda Item G(6)(b) – Because local parcel/dwelling unit owners should not be subsidizing the costs of access to Championship Golf, a minimum of \$32,812 of the course’s proposed expenses should *not* be budgeted

Submitted by Margaret Martini (1 page): IVGID March 11, 2020 Board of Trustees Meeting Public Comment #1 By: Margaret Martini – To be included with the Meeting Minutes

Minutes

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Submitted by Margaret Martini (2 pages): IVGID 3-11-20 Board of Trustees Meeting Public Comments By: Margaret Martini – to be included with the Meeting Minutes

Submitted by Aaron Katz (6 pages): Written statement to be included in the written minutes of this March 11, 2020 regular IVGID Board meeting – Agenda Item F(3) – Restricting \$9,656,890 of Utility Fund funds to be restricted reserves for the Effluent Export Pipeline Phase II Project

Submitted by Aaron Katz (10 pages): Written statement to be included in the written minutes of this March 11, 2020 regular IVGID Board meeting – Agenda Item G(6)(h) – Because local parcel/dwelling unit owners should not be subsidizing the costs of access to the District’s parks and athletic fields which are “available” to the general public *for free*, the \$730,000 of our Recreation Facility Fees (“RFF’s”) assigned to financially subsidize these venues (nearly \$90.00/assessed parcel/residential dwelling unit? Should be eliminated by a like amount

Submitted by Aaron Katz (17 pages): Written statement to be included in the written minutes of this March 11, 2020 regular IVGID Board meeting – Agenda Item G(6)(j) – Because local parcel/dwelling unit owners should not be subsidizing the costs of access to the Tennis Center, a minimum of \$114,842 of the Center’s proposed expenses should *not* be budgeted

Submitted by Aaron Katz (13 pages): Written statement to be included in the written minutes of this March 11, 2020 regular IVGID Board meeting – Agenda Item G(6)(r) - Because Staff refuse to share the expenditures they propose be budgeted to the General Fund, local parcel/residential dwelling unit owners are indirectly forced to subsidize overspending in this fund through Central Services transfers, and there are at least \$72,000 in wasteful/unnecessary expenditures proposed with Tri-Strategies which require deletion, the Board should not ratify/approve Staff’s proposed expenditures in this fund until Staff produce a line item summary of proposed expenditures

Submitted by Aaron Katz (12 pages): Written statement to be included in the written minutes of this March 11, 2020 regular IVGID Board meeting – Agenda Item G(6)(g) – Because local parcel/dwelling unit owners should not be subsidizing the costs of access to the Recreation Center and the “programming” administered therefrom, the nearly \$1,225,000 of our Recreation Facility Fees (“RFF’s”) assigned to such access and programming (nearly \$150.00/assessed parcel/residential dwelling unit) should be eliminated by a like amount

Submitted by Aaron Katz (4 pages): Written statement to be included in the written minutes of this March 11, 2020 regular IVGID Board meeting – Agenda Item G(6)(c) – Because of the operational cash flow Diamond Peak throws off, the \$1,640,000 of our Recreation Facility Fees (“RFF’s”) assigned to operations (4200/assessed parcel/residential dwelling unit) should be eliminated by a like amount rather than used to subsidize more Staff overspending at other public recreation venues

Submitted by Aaron Katz (5 pages): Written statement to be included in the written minutes of this March 11, 2020 regular IVGID Board meeting – Agenda Item G(6)(d) – Because local parcel/dwelling unit owners should not be subsidizing the costs of marketing the District’s recreational facilities to the world’s tourists, the nearly \$1,200,000 of our Recreation Facility Fees (“RFF’s”), assigned to Marketing (nearly \$150.00/assessed parcel/residential dwelling unit) should be eliminated by a like amount

Submitted by Judith Miller (1 page): Public Comment IVGID Board of Trustees Meeting 3/11/2020

Submitted by SOS Outreach (1 page): IVGID Trash Can Request

Submitted by Aaron Katz (6 pages): Written statement to be included in the written minutes of this March 11, 2020 regular IVGID Board meeting – Agenda Item G(6)(e) – Because local parcel/dwelling unit owners should not be subsidizing the costs of access to our facilities, a minimum of \$41,015 of their proposed expenses should *not* be budgeted

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS MARCH 11, 2020 REGULAR IVGID BOARD MEETING – AGENDA ITEM G(6)(b) – BECAUSE LOCAL PARCEL/DWELLING UNIT OWNERS SHOULD NOT BE SUBSIDIZING THE COSTS OF ACCESS TO MOUNTAIN GOLF, A MINIMUM OF \$221,481 OF THE COURSE’S PROPOSED EXPENSES SHOULD NOT BE BUDGETED

Introduction: Here staff seek Board approval of a proposed operating budget for the Mountain Golf Course¹. For those not familiar with accounting jargon insofar as this proposed budget is concerned, the word “Sources” refers to revenues, and the word “Uses” refers to expenses. Therefore Exhibit “A” consists of nothing more than a proposed income and expense statement for the Mountain Golf Course. For purposes of this written statement I have placed an asterisk next to the \$221,481 RFF entry on Exhibit “A.” And that’s the purpose of this written statement.

Do You Understand What This \$221,481 “Facility Fee” Entry Represents? For those who don’t, this is the amount staff propose local parcel/residential dwelling unit owners involuntarily *subsidize* Mountain Golf’s proposed overspending.

Given the Mountain Golf Course is a Facility Available for the Public’s Use, Please Understand it Exists Just as Much For the Benefit of the World’s Tourists as the Few Local Parcel/Residential Dwelling Unit Owners Who Choose to Actually Use it: Notwithstanding, *only* the local parcel/residential dwelling unit owners who pay the RFF are asked to subsidize the Mountain Golf Course’s negative cash flow.

Please Understand That the Numbers I Will Share Are Staff’s Numbers: even though I and others I know are of the opinion staff’s financial reporting is deceitfully presented to put the happiest face forward possible on another money losing commercial business. As an example, since Exhibit “A” represents operational cash flow, one cannot see the massive additional negative cash flow caused by capital expenditures. Thus the financial picture presented is intentionally distorted.

Let me provide two examples of this distortion. First, look at the estimated \$922,166 of proposed “charges for services” revenue compared to fiscal year 2019-20’s budgeted \$678,573. This nearly 36% increase in estimated revenues, without further explanation, is nothing more than fantasy (as is staff’s estimated 26.3% increase in food and beverage sales, and 20% increase in merchandise sales²). And if fantasy, it means staff’s proposed \$221,481 of estimated *negative* cash flow is woefully understated. Yet the Board and the public are being misled into believing a far rosier picture than what I and others believe will be reality.

¹ A copy of that budget appears at page 97 of the packet of materials prepared by staff in anticipation of this March 11, 2020 meeting [https://www.yourtahoepalace.com/uploads/pdf-ivgid/BOT_Packet_Regular_3-11-20.pdf (“the 3/11/2020 Board packet”)]. This page is attached as Exhibit “A” to this written statement.

² See page 96 of the 3/11/2020 Board packet.

Second, look again at staff's estimated \$922,166 of "charges for services" 2020-21 revenue. Not all of this \$922,166 represents *cash* revenue. Two years ago staff allowed punch card holders with unused credit on their punch cards to apply a percentage of that credit to Mountain Golf and Tennis Center play passes. As a result hundreds of thousands of dollars of punch card credit was used at the Mountain Golf Course and it is *included* in the "charges for services" revenue reported by staff. How many hundreds of thousands of dollars? Although we know that system wide it was \$750,000 for 2019-20, and for 2020-21 it is estimated to total \$738,000³, staff refuses to share the number for any single recreational facility. Nevertheless, that number should *not* be included in "charges for services" revenue for two reasons. It "juices" the number the Board and the public believe is/will be *cash*.

Furthermore, it amounts to the double reporting of income. Punch cards are what parcel/residential dwelling unit owners receive in consideration of payment of the RFF. Although the portion attributable to Mountain Golf (\$221,481) is reported on page 97 of the 3/11/2020 Board packet, including punch card credits used to purchase play passes in "charges for services" revenues represents *DOUBLE* reporting of revenue. Like I said, staff's financial reporting is deceitfully presented.

Please Understand That These Numbers Do NOT Include Capital Expenditures: Given staff have budgeted for \$4,159,900 of *additional* Community Services⁴ Capital Expenditures⁵ without any breakdown as to how much is assigned to Mountain Golf, the Board and the public have no idea how much *more* in *negative* cash flow is properly assignable to Mountain Golf's functions. Moreover, these numbers do not include the \$1,053,733 budgeted for the current Mountain Golf Clubhouse renovation/reconstruction project⁶. Thus like I said, Mountain Golf's financial picture is distorted.

Nonetheless, Staff Admit They Are Proposing to Overspend \$221,481 at the Mountain Golf Course, and They Propose This Overspending Be Subsidized By the RFF⁵:

Please Understand That at the Board's June 19, 2019 Meeting, Stephen Bohnet of Finn Consulting Presented Evidence That 55% of Local Parcel/Residential Dwelling Unit Owners Assessed the RFF NEVER USE THE MOUNTAIN GOLF COURSE⁷: And if we add those who only used it once or twice in the last year, this number balloons to a whopping 71%! For these and other reasons I unsuccessfully urged the Board to vote against the proposed \$1.053 million renovation of the Mountain Golf Clubhouse⁶ because it violates the "pay for what you use" principle.

³ See the *negative* "charges for services" revenue number on page 143 of the 3/11/2020 Board packet.

⁴ Mountain Golf is a sub-fund of the District's Community Service Fund.

⁵ See page 97 of the 3/11/2020 Board packet.

⁶ See page 8 of the 3/11/2020 Board packet.

⁷ See page 24 of the packet of materials prepared by staff in anticipation of the Board's June 19, 2019 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_6-19-19.pdf ("the 6/19/2019 Board packet")].

What is the Justification for Forcing 55% of Local Parcel/Residential Dwelling Unit Owners/ Their Occupants Who NEVER Use the Mountain Golf Course to Involuntarily Finance \$1.053 Million or More of Mountain Golf Clubhouse Repairs/Renovations? And remember, this number is on top of the \$517,000 of 2019-20⁹ and the current \$221,481 of proposed 2020-21 operational overspending!

And Not That it Makes a Difference (Because Budgeting to Overspend is Wrong Regardless), But We Have No Idea of What Percentage of the Mountain Golf Course's Use is Not Actually Being Used by Local Property Owners: The Mountain Golf Course is available to members of the general public, whether or not local parcel/residential dwelling unit owners paying the RFF. Thus access to and use is promoted by staff to visitors/tourists when in contrast, NRS 318.015 instructs that the District's recreational facilities and the services they offer should primarily exist for the benefit of "the inhabitants...of (Incline Village, Crystal Bay) and of the State of Nevada."

Staff Tell the Board and the Public That the Reason Access to and Use of Our Recreational Facilities Are Made Available to the General Public is so That Revenues Realized From the General Public Will Reduce the Costs Local Parcel Owners Are Required to Pay: But we have seen that this is a false narrative¹⁰, and staff know it to be false.

In 2002 as Well as 2013 the Board Instructed Staff to Budget Mountain Golf Operations on a Financially Breakeven Basis: So what happened? On December 11, 2002 the Board adopted Resolution 1736¹¹ which adopted Financial Standards for the District's various recreational facilities including the Mountain Golf Course. As the Board and the public can see from ¶VII(A) of Resolution 1736, that Board declared that the services provided by both Championship and Mountain Golf be "provide(d) on a breakeven basis." Although for political reasons Resolution 1736 was rescinded nearly six (6) years after adoption (March 26, 2008) and replaced with a watered down version of Policy 2.1.0, the subject was again discussed by the Board at its October 1, 2013 meeting. Thereat Board members were asked whether each of the District's recreational facilities and the programs offered thereat "should generate a profit, break even, or simply provide value?" Four (4) of the five

⁸ See pages 193-202 of the packet of materials prepared by staff in anticipation of the Board's July 17, 2019 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_7-17-19.pdf ("the 7/17/2019 Board packet")].

⁹ See page 193 of the packet of materials prepared by staff in anticipation of the Board's May 22, 2019 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_5-22-19.pdf ("the 5/22/2019 Board packet")].

¹⁰ One need merely look at staff's proposed Diamond Peak income and expense statement (see page 102 of the 3/11/2020 Board packet). Instead of reducing the RFF by the \$1,640,600 of alleged savings, that money is proposed to be used to subsidize overspending at the District's *other* recreational facilities.

¹¹ Resolution 1736 is attached as Exhibit "B" to the written statement contemporaneously submitted at this meeting insofar as the proposed budget for the Tennis Center is concerned.

(5) trustees declared that the Mountain Golf Course should operate on a breakeven basis, and the fifth (former Trustee Wolfe) declared it should generate a profit¹². ***So why is it acceptable to continue to budget for operational losses?*** Isn't it time for this Board to take charge of the District's finances rather than passing off this duty to staff who have consistently demonstrated they are not capable of managing the District's recreational venues on a financial break even or positive cash flow basis?

Conclusion: In addition to massive capital costs, Staff propose assessing local parcel/residential dwelling unit owners at least \$221,481 in operational overspending to subsidize the Mountain Golf Course. Public Works Director Joseph Pomroy often speaks about fairness and equity insofar as our utility rates are concerned. To make his argument, he uses the example "pay for what you use." In other words, don't make the majority of rate payers pay for the excess services exacted by a few. Well why should it be any different insofar as the fees charged at any of the District's recreation venues (here Mountain Golf) are concerned¹³? Shouldn't access and use be paid by those few who actually use this facility and the services it offers rather than the majority of local parcel/ residential dwelling unit owners who do not?

Therefore I request that this \$221,481 *not* be budgeted, and all Mountain Golf programs/ services be eliminated unless they are financially break even or positive cash flow. Direct our staff figure out how to increase revenues/reduce costs to eliminate *all* negative cash flow. And if they are not capable, maybe it's time to find another operator or dispose of this asset.

And to those asking why your RFF/Beach Facility Fee ("BFF") are as high as they are, and never seem to be reduced, now you have another example of the reasons why.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

¹² A spreadsheet depicting trustees' views on this subject was attached to the minutes of the Board's October 1, 2013 meeting [see page 126 of the materials prepared by staff in anticipation of the Board's October 30, 2013 meeting ("the 10/30/2013 Board packet")]. A copy of that spreadsheet is attached as Exhibit "C" to the written statement contemporaneously submitted at this meeting insofar as the proposed budget for the Tennis Center is concerned.

¹³ Some years ago the Board commissioned a "parcel utilization" survey. What the Board and the public discovered is that system wide, less than 15% on average of the parcels/residential dwelling units assessed the RFF had an owner/occupant who used any of the District's recreational facilities just once in the preceding year (note how much larger this *actual* utilization was compared to consultant Finn's survey of but a percentage of parcel/residential dwelling unit owners⁷). This means that the overwhelming majority of parcel/residential dwelling unit owners paying the RFF/their occupants *never* use a given recreational facility.

EXHIBIT "A"

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
MOUNTAIN GOLF
PROPOSED OPERATING SOURCES AND USES
FOR THE FISCAL YEAR ENDING JUNE 30, 2021

	Actual FYE - 18	Actual FYE - 19	Estimated Actual FYE- 20	Approved Budget FYE - 20	Proposed Budget FYE - 21
Sources:					
Ad Valorem Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -
Consolidated Taxes	-	-	-	-	-
Charges for Services	629,122	690,668	615,000	678,573	922,166
Facility Fee	327,375	328,831	328,120	328,120	221,481
Investment income	-	-	-	-	-
Miscellaneous Revenues	59,215	42,739	39,000	38,932	40,890
Intergovernmental	-	-	-	-	-
Interfund	-	-	-	-	-
Central Services	-	-	-	-	-
Total Sources	1,015,712	1,062,238	982,120	1,045,625	1,184,537
Uses:					
Salaries & Wages	327,821	340,012	355,000	372,113	432,056
Employee Benefits	88,958	93,523	103,000	115,629	119,791
Total Personnel	416,779	433,535	458,000	487,742	551,847
Professional Services	3,828	1,437	2,000	4,140	4,170
Services & Supplies	327,292	322,832	340,000	315,732	352,789
Insurance	18,355	15,782	18,000	18,000	17,280
Utilities	82,546	87,535	90,000	88,840	91,760
Cost of Goods Sold	76,071	51,521	58,000	59,423	105,100
Central Services	47,300	47,800	54,000	54,000	58,140
Defensible Space	-	-	-	-	-
Total Services & Supplies	555,392	526,907	562,000	540,135	629,239
Total Uses	972,171	960,442	1,020,000	1,027,877	1,181,086
Net Sources (Uses)	\$ 43,541	\$ 101,796	\$ (37,880)	\$ 17,748	\$ 3,451

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS MARCH 11, 2020 REGULAR IVGID BOARD MEETING – AGENDA ITEM G(6)(a) – BECAUSE LOCAL PARCEL/DWELLING UNIT OWNERS SHOULD NOT BE SUBSIDIZING THE COSTS OF ACCESS TO CHAMPIONSHIP GOLF, A MINIMUM OF \$32,812 OF THE COURSE’S PROPOSED EXPENSES SHOULD NOT BE BUDGETED

Introduction: Here staff seek Board approval of a proposed operating budget for the Championship Golf Course¹. For those not familiar with accounting jargon insofar as this proposed budget is concerned, the word “Sources” refers to revenues, and the word “Uses” refers to expenses. Therefore Exhibit “A” consists of nothing more than a proposed income and expense statement for the Championship Golf Course. For purposes of this written statement I have placed an asterisk next to the \$32,812 RFF entry on Exhibit “A.” And that’s the purpose of this written statement.

Do You Understand What This \$32,812 “Facility Fee” Entry Represents? For those who don’t, this is the amount staff propose local parcel/residential dwelling unit owners involuntarily *subsidize* Mountain Golf’s proposed overspending.

Given the Championship Golf Course is a Facility Available for the Public’s Use, Please Understand it Exists Just as Much For the Benefit of the World’s Tourists as the Few Local Parcel/Residential Dwelling Unit Owners Who Choose to Actually Use it: Notwithstanding, *only* the local parcel/residential dwelling unit owners who pay the RFF are asked to subsidize the Championship Golf Course’s negative cash flow.

Please Understand That the Numbers I Will Share Are Staff’s Numbers: even though I and others I know are of the opinion staff’s financial reporting is deceitfully presented to put the happiest face forward possible on another money losing commercial business. As an example, since Exhibit “A” represents operational cash flow, one cannot see the massive additional negative cash flow caused by capital expenditures. Thus the financial picture presented is intentionally distorted.

Let me provide an example of this distortion. Look at the estimated \$5,071,084 of proposed “charges for services” revenue compared to fiscal year 2019-20’s budgeted \$4,516,321. This nearly 12.3% increase in estimated revenues is extremely optimistic as is staff’s estimated 10% increase in Evets/Banquet sales, and 12.6% increase in merchandise sales²). And if too optimistic, it means staff’s proposed \$32,812 of estimated *negative* cash flow is understated. Yet the Board and the public are being misled into believing a rosier picture than what I and others believe will be reality.

¹ A copy of that budget appears at page 92 of the packet of materials prepared by staff in anticipation of this March 11, 2020 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_3-11-20.pdf] (“the 3/11/2020 Board packet”). This page is attached as Exhibit “A” to this written statement.

² See page 91 of the 3/11/2020 Board packet.

Please Understand That These Numbers Do NOT Include Capital Expenditures: Given staff have budgeted for \$4,159,900 of *additional* Community Services³ Capital Expenditures⁴ without any breakdown as to how much is assigned to Championship Golf, the Board and the public have no idea how much *more* in *negative* cash flow is properly assignable to Championship Golf's functions. Thus like I said, Championship Golf's financial picture is distorted.

They're distorted for another reason. Look again at staff's estimated \$5,071,084 of "charges for services" 2020-21 revenue. Not all of this \$5,071,084 represents *cash* revenue. When a punch card holder uses his/her card to buy down the cost of a round of golf to the resident rate, staff do not declare the net cash revenue actually received under "charges for services." Instead they include the full retail rate with no discount, and then report the amount of the buy down as a negative "charges for services" number⁴ in the Community Services Recreation Administration sub-fund⁵. However if you didn't know this, you would presume that the total "charges for services" reported in the Championship Golf income and expense statement⁴ represented cash revenues actually received.

Nonetheless, Staff Admit They Are Proposing to Overspend \$32,812 at the Championship Golf Course, and They Propose This Overspending Be Subsidized By the RFF⁴:

Please Understand That at the Board's June 19, 2019 Meeting, Stephen Bohnet of Finn Consulting Presented Evidence That 59% of Local Parcel/Residential Dwelling Unit Owners Assessed the RFF NEVER USE THE CHAMPIONSHIP GOLF COURSE⁶: And if we add those who only used it once or twice in the last year, this number balloons to a whopping 70%! Subsidizing the Championship Golf Course's *negative* cash flow violates the "pay for what you use" principle.

And Not That it Makes a Difference (Because Budgeting to Overspend is Wrong Regardless), But We Have No Idea of What Percentage of the Championship Golf Course's Use is Not Actually Being Used by Local Property Owners: The Championship Golf Course is available to members of the general public, whether or not local parcel/residential dwelling unit owners paying the RFF. Thus access to and use is promoted by staff to visitors/tourists when in contrast, NRS 318.015 instructs that the District's recreational facilities and the services they offer should primarily exist for the benefit of "the inhabitants...of (Incline Village, Crystal Bay) and of the State of Nevada."

Staff Tell the Board and the Public That the Reason Access to and Use of Our Recreational Facilities Are Made Available to the General Public is so That Revenues Realized From the General

³ Championship Golf is a sub-fund of the District's Community Service Fund.

⁴ See page 92 of the 3/11/2020 Board packet.

⁵ See page 143 of the 3/11/2020 Board packet.

⁶ See page 24 of the packet of materials prepared by staff in anticipation of the Board's June 19, 2019 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_6-19-19.pdf ("the 6/19/2019 Board packet")].

Public Will Reduce the Costs Local Parcel Owners Are Required to Pay: But we have seen that this is a false narrative⁷, and staff know it to be false.

In 2002 as Well as 2013 the Board Instructed Staff to Budget Championship Golf Operations on a Financially Breakeven Basis: So what happened? On December 11, 2002 the Board adopted Resolution 1736⁸ which adopted Financial Standards for the District's various recreational facilities including the Championship Golf Course. As the Board and the public can see from ¶VII(A) of Resolution 1736, that Board declared that the services provided by both Championship and Mountain Golf be "provide(d) on a breakeven basis." Although for political reasons Resolution 1736 was rescinded nearly six (6) years after its adoption (March 26, 2008), and replaced with a watered down version of Policy 2.1.0, the subject was again discussed by the Board at its October 1, 2013 meeting. Thereat Board members were asked whether each of the District's recreational facilities and the programs offered thereat "should generate a profit, break even, or simply provide value?" Four (4) of the five (5) trustees declared that the Championship Golf Course should operate on a breakeven basis, and the fifth (former Trustee Wolfe) declared it should generate a profit⁹. ***So why is it acceptable to continue to budget for operational losses?*** Isn't it time for this Board to take charge of the District's finances rather than passing off this duty to staff who have consistently demonstrated they are not capable of managing the District's recreational venues on a financial break even or positive cash flow basis?

Conclusion: In addition to massive capital costs, Staff propose assessing local parcel/residential dwelling unit owners at least \$32,812 in operational overspending to subsidize the Championship Golf Course. Public Works Director Joseph Pomroy often speaks about fairness and equity insofar as our utility rates are concerned. To make his argument, he uses the example "pay for what you use." In other words, don't make the majority of rate payers pay for the excess services exacted by a few. Well why should it be any different insofar as the fees charged at any of the District's recreation venues (here Championship Golf) are concerned¹⁰? Shouldn't access and use be paid by those few who

⁷ One need merely look at staff's proposed Diamond Peak income and expense statement (see page 102 of the 3/11/2020 Board packet). Instead of reducing the RFF by the \$1,640,600 of alleged savings, that money is proposed to be used to subsidize overspending at the District's *other* recreational facilities.

⁸ Resolution 1736 is attached as Exhibit "B" to the written statement contemporaneously submitted at this meeting insofar as the proposed budget for the Tennis Center is concerned.

⁹ A spreadsheet depicting trustees' views on this subject was attached to the minutes of the Board's October 1, 2013 meeting [see page 126 of the materials prepared by staff in anticipation of the Board's October 30, 2013 meeting ("the 10/30/2013 Board packet")]. A copy of that spreadsheet is attached as Exhibit "C" to the written statement contemporaneously submitted at this meeting insofar as the proposed budget for the Tennis Center is concerned.

¹⁰ Some years ago the Board commissioned a "parcel utilization" survey. What the Board and the public discovered is that system wide, less than 15% on average of the parcels/residential dwelling

actually use this facility and the services it offers rather than the majority of local parcel/residential dwelling unit owners who do not?

Therefore I request that this \$32,812 *not* be budgeted, and all Championship Golf programs/ services be eliminated unless they are financially break even or positive cash flow. Direct our staff to figure out how to increase revenues/reduce costs to eliminate *all* negative cash flow. And if they are not capable, maybe it's time to find another operator or dispose of this asset.

And to those asking why your RFF/Beach Facility Fee ("BFF") are as high as they are, and never seem to be reduced, now you have another example of the reasons why.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

units assessed the RFF had an owner/occupant who used any of the District's recreational facilities just once in the preceding year (note how much larger this *actual* utilization was compared to consultant Finn's survey of but a percentage of parcel/residential dwelling unit owners⁷). This means that the overwhelming majority of parcel/residential dwelling unit owners paying the RFF/their occupants *never* use a given recreational facility.

EXHIBIT "A"

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
 CHAMPIONSHIP GOLF
 PROPOSED OPERATING SOURCES AND USES
 FOR THE FISCAL YEAR ENDING JUNE 30, 2021

	Actual FYE - 18	Actual FYE - 19	Estimated Actual FYE- 20	Approved Budget FYE - 20	Proposed Budget FYE - 21
Sources:					
Ad Valorem Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -
Consolidated Taxes	-	-	-	-	-
Charges for Services	3,763,012	3,952,990	4,570,000	4,516,321	5,071,084
Facility Fee	180,056	217,866	172,000	172,263	32,812
Investment income	-	-	-	-	-
Miscellaneous Revenues	29,334	17,032	7,000	-	-
Intergovernmental	-	-	-	-	-
Interfund	-	-	-	-	-
Central Services	-	-	-	-	-
Total Sources	3,972,402	4,187,888	4,749,000	4,688,584	5,103,896
Uses:					
Salaries & Wages	1,450,745	1,509,876	1,635,000	1,592,508	1,739,948
Employee Benefits	378,678	383,157	470,000	512,154	524,010
Total Personnel	1,829,423	1,893,033	2,105,000	2,104,662	2,263,958
Professional Services	7,273	6,632	7,000	7,860	7,980
Services & Supplies	957,431	989,286	1,015,000	1,056,265	1,113,183
Insurance	38,909	45,516	67,000	67,200	75,180
Utilities	207,188	221,553	230,000	226,160	231,960
Cost of Goods Sold	837,876	940,504	1,036,000	1,004,692	1,152,375
Central Services	177,600	188,900	236,800	236,800	254,820
Defensible Space	-	-	-	-	-
Total Services & Supplies	2,226,277	2,392,391	2,591,800	2,598,977	2,835,498
Total Uses	4,055,700	4,285,424	4,696,800	4,703,639	5,099,456
Net Sources (Uses)	\$ (83,298)	\$ (97,536)	\$ 52,200	\$ (15,055)	\$ 4,440

IVGID March 11, 2020 Board of Trustees Meeting Public Comment #1

By: Margaret Martini – To be included with the Meeting Minutes

I spent a great deal of time reading through the District's proposed operating budget. Although, I am not a financial wizard, it is clear to me that we need a management consultant and a real CPA to get our revenues and our expenses in line. What you have produced is not only difficult to justify, it is financially unsustainable. If you begin with the first page, you show sources that conflate the Recreation and Beach Fees as one fee. Now, we all know that there are two fees – one for all our Community Services venues and one for our Beaches. Each individual fee must be the source for their fund's operations, capital projects and debt service. They cannot be combined and used as you see fit. Which is, of course, what has been going on with the scheme you call punch card utilization. You are collecting money from the Rec Fee in Community Administration to facilitate this scheme and by one citizen's calculations, you have transferred close to \$2.7 million from our Rec Fee to the Beaches. Crystal Bay property owners are paying a portion of the Rec Fee which is going to pay the expenses of the Beaches that they cannot legally use. That is theft. This fraud is being built into the 2021 Budget and it must stop.

The percentage increases for fixed costs like salaries and benefits, as well as services and supplies are far outpacing the revenues you project. You also continue to increase marketing expenses which does not benefit our property owners and our residents. Of the close to 100 community programs, you have failed to identify the community's actual participation and we have no clear understanding of the total recreation and beach fee subsidies for these programs.

Frankly, Indra, as our interim General Manager, I am extremely disappointed with the operating budget being presented tonight. In addition to not being consistent with previous year's operating budgets, it is long on pages and short on the substance our Board needs to make responsible decisions. Any changes in climate and poor economic conditions will spell financial disaster for our community.

IVGID 3-11-20 Board of Trustees Meeting Public Comments

By: Margaret Martini – to be included with the Meeting Minutes

Agenda Item F-3 (Restricting \$9,658,890 to the Effluent Pipeline Project (2524SS10))

I strongly support the Board's restricting the \$9,656,890 to be used solely for Phase II of the Effluent Pipeline. I urge this Board to define this project to only include the replacement of the 6 miles of failing pipeline in the center of State Route 28. The \$2 million collected from utility ratepayers for more than 7 years was specifically imposed to fund this project. It is quite unfortunate, that the District has repurposed approximately \$5 million dollars of the close to \$14 million collected for this project to fund other projects. I also request that this Board restrict the \$2 million collected annually for fiscal year 2020 and all subsequent years to fund Phase II.

Agenda Item F-4 (\$35,000 Authorization for engagement of independent expert on opinion and guidance on issues raised on 2019 CAFR as well as accounting policies used in preparation of District's financial statements)

After years and years of allegations of deceptive and unlawful accounting and reporting practices, I recommend that the Board approve the \$35,000 our Audit Committee Chair is seeking to engage an independent expert to provide guidance on the material issues raised by Trustees Callicrate, Dent and Schmitz on the District's 2019 CAFR as well as providing guidance on accounting policies used in the preparation of the District's financial statements. Our citizens and all users of our financial statements which include the State, the County, and our creditors are entitled to complete and accurate financial reporting. This is an expenditure for financial transparency and compliance with all laws and generally accepted accounting principles that we can all support.

Agenda Item F-5 (\$45,000 to engage an independent expert to assess and recommend internal controls as well as auditing the accounting and reporting of punch card utilization)

Although management has represented that our financial statements have been prepared in accordance with a comprehensive framework of internal controls –

NO ONE has produced these policies and practices. Clearly, they don't exist. As a consequence, you as a Board and we as taxpayers and ratepayers, can have no confidence in the veracity of any of the District's financial statements. This is a good step forward in ensuring that our financials are free of fraud and material errors. There cannot be enough said about the fraudulent punch card utilization scheme. For more than 7 years, there have been undisclosed and unlawful transfers of millions of dollars of our Recreation Fee to the Beaches. More than 475 Crystal Bay property owners paying a Recreation Fee are unknowingly and unwilling paying for expenses for the Beaches they cannot legally use. This is more than unacceptable, it is criminal. This scheme is also double booking revenues at our recreational venues and materially distorting our financial statements. I urge this Board to approve the \$45,000 budget to engage an independent expert and I urge Trustee Dent to take immediate action.

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS MARCH 11, 2020 REGULAR IVGID BOARD MEETING – AGENDA ITEM F(3) – RESTRICTING \$9,656,890 OF UTILITY FUND FUNDS TO RESTRICTED RESERVES FOR THE EFFLUENT EXPORT PIPELINE PHASE II PROJECT

Introduction: Here the Board proposes *RESTRICTING* \$9,656,890 of remaining \$2 million/year capital improvement contributions expressly earmarked for the effluent export pipeline phase II project to that project to eliminate any possibility staff will use those funds for any other purpose. Although I am fully in agreement that this action be taken, there are two ancillary matters that I believe need to be addressed. And that's the purpose of this written statement.

It's Not Just the Remaining \$9,656,890: It's the prospective \$2 million annually that staff has been and will be collecting. Please modify the requested action to expressly include prospective additions to the existing \$9,656,890.

There Should Be No Need For This Action: because staff previously represented that the subject contributions would be committed reserves! At Mr. Pomroy's 2013 utility rate study, he submitted a memorandum that represented there were two Utility Fund reserves; an "uncommitted reserve fund" he expected to fund to \$2.5 million over the next five (5) years, and an "accumulated savings (fund) for the Export project" (aka a "reserve balance") he represented rate payers' \$2 million yearly contributions for the subject project would be deposited. These representations appear on page 244 of the packet of materials prepared by staff in anticipation of the Board's February 27, 2013 meeting, and a copy of this page with an asterisk next to the quoted representations is attached as Exhibit "A" to this written statement.

To demonstrate these representations were not a mistake, Mr. Pomroy repeated them during his 2014 utility rate study. To demonstrate this fact, I have reference page 15 of the packet of materials prepared by staff in anticipation of the Board's February 12, 2014 meeting. This page along with an asterisk next to the quoted representations is attached as Exhibit "B" to this written statement.

If staff represented to the Board and the public that accumulated savings of the \$2 million being collected for the subject project would be retained as an "accumulated savings" fund, why is this action required? And why have staff spent any of it for other purposes?

And Why Isn't the Board Taking Action Against Mr. Pomroy and Others For Using Taxpayer Funds For Purposes Other Than Those Representing? A crime no less – see NRS 205.305 - embezzlement.

Conclusion: The time has come to no longer give our vaunted staff a pass for misappropriating the public's moneys. They need to understand loud and clear that they work for the public, rather than the other way around. I ask the subject of what to do with Mr. Pomroy be agendized for a future meeting because passing the proposed resolution is not enough.

And to those asking why your utility rates are as high as they are, and going higher, now you have another example of the reasons why.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

EXHIBIT "A"

Capital Revenues and Expenses

The capital expense is the current five year capital plan that is being developed as part of the budget process. The five year expenses and revenues are presented in the following table. The capital revenue is the summation of monthly capital fees collected in the utility rates, connection fees, and interest income and increases by approximately 9.1% per year averaged over 5 years. The capital expense is the capital improvement projects net of grants and debt proceeds. The five year impact is to balance revenues and expenses. Beginning in year three we expect to begin re-building the uncommitted reserve fund.

5-Year Plan	2013-14	2014-15	2015-16	2016-17	2017-18	5-Yr Sum
Capital Revenue	3,918,000	4,588,000	4,786,000	4,992,000	5,207,000	\$23,491,000
Capital Expense	(4,547,000)	(5,058,000)	(3,996,000)	(4,762,000)	(4,843,000)	(\$23,206,000)
					Subtotal	\$285,000

There are several important points to remember in the estimate of capital expenses. The capital expenses assume that we spend 100% of all capital budgets. The Effluent Export Project has also been adjusted with the assumption that we will not receive Section 595 funding which increases our capital costs. The large rate increases will occur in capital and primarily in sewer in 2013 and 2014.

With the 2012-13 budget year, Public Works began accumulating \$2,000,000 per year in savings for the construction of the Effluent Export Project. We expect to have accumulated a total of \$6,000,000 by the construction project start date in spring 2015 while also continuing to collect \$2 million annually for this critical project.

The reserve balance is a critical fund to be managed in Public Works. At this time, there are several large variables mentioned above that can significantly swing the reserve balance. The amount of the bonding will be adjusted to assure the reserve fund remains at a prudent balance while also considering the costs of borrowing, the economic conditions in Nevada and the susceptibility of the funds.


 The uncommitted reserve fund, separate from the accumulated savings for the Export Project, is currently scheduled to be less than the Policy target for the next five years. The current goal is to keep the uncommitted reserve fund above \$2.5 million.

EXHIBIT "B"

With the 2012-13 budget year, Public Works began accumulating \$2,000,000 per year in savings for the construction of the Effluent Export Project. We expect to have accumulated a total of \$8,000,000 by the construction project start date in spring 2016 while also continuing to collect \$2 million annually for this critical project.



The reserve balance is a critical fund to be managed in Public Works. At this time, there are several large variables mentioned above that can significantly swing the reserve balance. The amount of the bonding will be adjusted to assure the reserve fund remains at a prudent balance while also considering the costs of borrowing, the economic conditions in Nevada and the susceptibility of the funds. The uncommitted reserve fund, separate from the accumulated savings for the Export Project, is currently scheduled to be less than the Policy target for the next five years. The current goal is to keep the uncommitted reserve fund above \$2.5 million.

Federal Funding of Capital Projects

The District has received Federal Funding in the amount of \$15,500,000 for the Sewer Effluent Export Project and \$2,700,000 for Water Infrastructure Projects over the last 10 years. This combined amount of \$18,200,000 over 10 years equates to a total savings of \$2,020 per residential customer or on average \$17 per month. The Effluent Export Project funding comes through our partnership with the US Army Corp of Engineers and we receive funding from the Section 595 Program of the Water Resources and Development Act of Congress. The Water Infrastructure funding comes through the Lake Tahoe Fire Partnership led by the South Lake Tahoe Public Utilities District and is funded through the US Forest Service.

Summary

The proposed utility rate increase is to raise water rates by 2.4% and sewer rates by 9.1% for a total utility rate increase of 6.0%. The rates are currently scheduled for an average 3.9% increase per year for five years to meet the projections presented here. This is less than last year's projection that rates would increase by 5.2% per year for next five years. The lower projection is because 2013 and 2014 had large sewer rate capital improvement fee increases to continue to raise capital for the \$23 million Effluent Export Project. The sewer rate increase is 11% and 9% respectively in each of those years to generate the capital revenue needed going forward.

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS MARCH 11, 2020 REGULAR IVGID BOARD MEETING – AGENDA ITEM G(6)(h) – BECAUSE LOCAL PARCEL/DWELLING UNIT OWNERS SHOULD NOT BE SUBSIDIZING THE COSTS OF ACCESS TO THE DISTRICT’S PARKS AND ATHLETIC FIELDS WHICH ARE “AVAILABLE” TO THE GENERAL PUBLIC FOR FREE, THE \$730,000 OF OUR RECREATION FACILITY FEES (“RFFs”) ASSIGNED TO FINANCIALLY SUBSIDIZE THESE VENUES (NEARLY \$90.00/ ASSESSED PARCEL/RESIDENTIAL DWELLING UNIT) SHOULD BE ELIMINATED BY A LIKE AMOUNT

Introduction: Here staff seek Board approval of an operating budget for proposed “availability” to the District’s public parks and athletic fields¹ which are available to members of the general public who are not paying the RFF *for free*. For those not familiar with accounting jargon insofar as this proposed budget is concerned, the word “Sources” refers to revenues, and the word “Uses” refers to expenses. Therefore Exhibit “A” consists of nothing more than a proposed income and expense statement for the District’s public parks and athletic fields. For purposes of this written statement, I have placed an asterisk next to the \$730,067 RFF entry on Exhibit “A.” A discussion of this *de facto negative* \$730,067 is the purpose of this written statement.

Do You Understand What the \$730,067 “Facility Fee” Entry Represents? This is the amount staff propose local parcel/residential dwelling unit owners involuntarily financially support (aka *subsidize*) the District’s and as you will discover *others’* parks, athletic and other fields. And please understand, since the District’s parks and athletic fields are facilities available for the public’s use, they exist for the benefit of the world’s tourists rather than just “the inhabitants...of (Incline Village, Crystal Bay) and of the State of Nevada” as NRS 318.015(1) instructs.

Although You May Think You Understand What the District’s Parks and Athletic Fields Consist of, I Submit You Take a More Detailed Examination: Instead of simply making the District’s Parks and athletic fields “available” for local parcel/residential dwelling units’ use, staff have decided to make *other persons’* parks and similar fields available and to make these parcels’/residential dwelling units’ owners’ pay for their “maintenance, snow removal, grounds, turf management, customer service, and trash collection.”² That’s right! Page 122 of the 3/11/2020 Board packet identifies all of the parks and fields managed by staff, which are subject to the Parks’ sub-funds *negative* cash flow. Besides the obvious (Preston Field and the Village Green), listen to the following:

¹ Copies of that budget appear at page 128 of the packet of materials prepared by staff in anticipation of this March 11, 2020 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_3-11-20.pdf] (“the 3/11/2020 Board packet”). This page is attached as Exhibit “A” to this written statement.

² See page 122 of the 3/11/2020 Board packet.

1. 3 Multi Use Ball Fields at Incline Park: Like the upper athletic field at Incline High, these are really not the District's fields. Rather, they represent Incline Middle School's physical education fields. The Board and the public probably do not know this, but these fields were acquired some years ago for the District's recreational use. However shortly after acquisition, in 1978³, the District sold a portion to the Washoe County School District ("WCSD") so Incline Middle School could be constructed. But the District did not sell the WCSD physical education fields. Instead, it entered into a disingenuous⁴ inter local agreement with the WCSD whereby the WCSD gets to use all of the District's recreational facilities for free, including Incline Park, in consideration of the District being able to use the WCSD's recreational facilities for free. And when it comes to grounds maintenance, turf management, and improvement of these fields⁵, who do you think pays? IVGID thank you very much. Just our way of saying "thanks" at local parcel owners' expense. Moreover the Board and the public has no idea of the extent of these costs because staff refused to share their particulars and they're not obtainable through the District's OpenGov data tool⁶.

2. The NT Lions Club Disc Golf Course: Several years ago the disc golfers in our community convinced the District to donate lands for the construction and operation of a disc golf course. These golfers represented that if approved, their club would fund one hundred percent (100%) of the construction costs. And to guaranty we local property owners would not have to pay for the golf course's maintenance/improvement/repair costs, these golfers represented they would cover 100% of these costs if allowed to sell the naming rights to the Lion's Club for \$10,000. Yes I and others opposed this arrangement because we knew IVGID staff could not be trusted. And now we see we were right!

According to page 122 of the 3/11/2020 Board packet the golf course's "maintenance, snow removal, grounds, turf management, customer service, and trash collection" are all being provided by the District. And the costs associated therewith, given we realize no user fees whatsoever from use of the golf course, are passed on to local property/residential dwelling unit owners. Just our way of saying "thanks" at local parcel owners' expense. Moreover, the Board and the public have no idea of the extent of these costs because staff have refused to share their particulars, and they're not obtainable through the District's OpenGov data tool⁶.

³ Go to <https://www.yourtahoeplace.com/ivgid/about-ivgid/history-of-ivgid>.

⁴ The reason I call this agreement disingenuous is because we all know the WCSD has little if any recreational facilities the District has any need of using. Even if it did, the price tag to the District for that use is grossly disproportionate in the WCSD's favor.

⁵ Several years ago local parcel/residential dwelling unit owners paid hundreds of thousands of dollars of RFF dollars for irrigation system upgrades to these fields. And somewhat recently, with the help of benefactor David Duffield, Sr., the District paid hundreds of thousands of dollars more for improvements to these ball fields.

⁶ Go to <https://www.yourtahoeplace.com/ivgid/financial-transparency/opengov-data-tool>.

3. The Holman Family Bike Park: Empowered by the success of their disc golf comrades, several years ago the mountain bikers in our community convinced the District to donate lands for the construction and operation of a mountain bike pump track. Like the disc golfers before them, these bikers represented that if approved, their club would fund one hundred percent (100%) of the construction costs. And to guaranty we local property owners would not have to pay for the bike park's maintenance/improvement/repair costs, these bikers represented they would cover 100% of these costs if allowed to sell the naming rights (apparently to the late Homan family). Yes I and others opposed this arrangement because we knew IVGID staff could not be trusted. And again we now see we were right!

According to page 122 of the 3/11/2020 Board packet the bike park's "maintenance, snow removal, grounds, turf management, customer service, and trash collection" are all being provided by the District. And the costs associated therewith, given we realize no user fees whatsoever from use of the bike park, are passed on to local property/residential dwelling unit owners. Just our way of saying "thanks" at local parcel owners' expense. Moreover, the Board and the public have no idea of the extent of these costs because staff have refused to share their particulars, and they're not obtainable through the District's OpenGov data tool⁶.

4. East & West Park: These parks sit at either end of the intersections of Lakeshore Blvd. and Highway 28. Furthermore, they *don't* sit on District owned property. Rather, they are owned by Washoe County! Notwithstanding, guess who pays to maintain and improve them? That's right, IVGID. Just our way of saying "thanks" at local parcel owners' expense. Several years ago I attempted to discover the legal bases for IVGID assuming the liabilities associated with these parks on the County's behalf. In response to my public records request, Ms. Herron referred me to some county employee who just never seemed to be able to return my telephone calls. And when I raised the issue with our Board of Commissioner, Marsha Berkbigler, my inquiries were ignored. Moreover the Board and the public have no idea of the extent of these costs because staff have refused to share their particulars, and they're not obtainable through the District's OpenGov data tool⁵.

5. The Upper High School Athletic Field: Although IVGID staff represent that the District owns this field (in "2008...the District...purchased...the upper field at the Incline High School"³), it does not⁷. Notwithstanding, page 122 of the 3/11/2020 Board packet reveals that the District maintains that field's landscaping pursuant to a written purchase order originating from the WCSD. Although the WCSD pays IVGID \$21,700 annually⁸ (approximately \$1,800/month), I and others believe this sum nowhere compensates the District for all of its costs associated with maintaining this field. Besides, why do IVGID staff assume an ever enlarging footprint? Why not let the WCSD handle its own landscape maintenance requirements?

⁷ Several public records requests made to Susan Herron have revealed there has been no agreement to purchase the field, nor has title transferred to the District.

⁸ See the \$21,700 "intergovernmental" revenue entry on Exhibit "A".

6. **The Visitor's Center:** on Highway 28. Similar to Incline Middle School, the Visitor's Center which is occupied by the Reno-Sparks Convention and Visitors Authority ("RSCVA"). But unlike the Middle School, IVGID owns this property. However several decades ago the District entered into a potential ninety-nine (99) year lease with the County which allows the RSCVA to use these lands. And what's the revenue to the District? \$1/year.

But wait. There's more. According to the lease the District is obligated to maintain, improve and repair the approximate ¾ acre park which surrounds the Visitor's Center. Just our way of saying "thanks" at local parcel owners' expense⁹. Moreover, the Board and the public have no idea of the extent of these costs because staff have refused to share their particulars, and they're not obtainable through the District's OpenGov data tool⁶.

7. **IVGID's Administration Building:** Just because the District owns an administration building doesn't mean the RFF can be used for its' landscaping maintenance/repairs/improvements. IVGID staff have represented that the RFF is a recreation standby service fee for its payers' "availability" to use *RECREATIONAL VENUES*. So why is staff assessing local property/residential dwelling unit owners the RFF to pay for this building's landscape maintenance/repair? In another written statement I have submitted contemporaneously with this one, I have demonstrated where the District has proposed receiving in excess of \$3.5 million in 2020-21 *ad valorem* and C-Taxes. Given these monies are supposed to pay for the costs IVGID incurs to provide general governmental services to the inhabitants of Incline Village/Crystal Bay, why aren't any of those funds used to pay for landscape maintenance/repair/improvement costs associated with the Administration Building? Moreover, the Board and the public have no idea of the extent of these costs because staff have refused to share their particulars, and they're not obtainable through the District's OpenGov data tool⁶.

8. **The Beaches:** Until receipt of the 3/11/2020 Board packet I had no idea that the landscape maintenance/repair/improvement costs associated with the beaches were being charged to/paid by the Parks sub-fund. This means that Crystal Bay and other property/residential dwelling unit owners without beach access (primarily along Lakeshore Blvd.) are improperly paying for maintenance of an asset for which they are denied access¹⁰! Moreover, the Board and the public have no idea of the extent of these costs because staff have refused to share their particulars, and they're not obtainable through the District's OpenGov data tool⁶.

Moreover, Please Understand That the Numbers I Will Share With the Board and the Public Are Staff's Numbers: even though I and others I know are of the opinion some of these numbers are "juiced" and others are deceitfully presented.

Moreover Still, Please Understand These Numbers Represent ONLY Operational Numbers: Given staff have budgeted for \$4,159,900 of additional Community Services Capital Expenditures¹¹

⁹ Several years ago local parcel/residential dwelling unit owners paid tens of thousands of dollars of RFF dollars for improvements/repairs/upgrades to this park.

¹⁰ If I were Frank Wright or Steve Kroll, I wouldn't be too happy to learn this.

without any breakdown as to how much is assigned to the Parks or athletic fields, the Board and the the public have no idea how much *more* in *negative* cash flow is properly assignable to the Parks sub-fund.

Staff Admit They Are Proposing to Budget to *Overspend* \$730,067 They Assign to Parks They Propose Be *Subsidized* By the RFF¹²:

Please Don't Respond That Local Property Owners Should Subsidize the Financial Losses Associated With Our Parks and Athletic Fields Because Many Cities or Counties Provide Services Like These to Their Communities at a Financial Loss: Although those communities may be providing the same public facilities, they're *not* coming up with the monies to do so by specially taxing local property owners. Rather, they're using some portion of the *ad valorem* taxes they receive to do so.

Here although IVGID is receiving *ad valorem* and Consolidated (C)-Taxes, it is using them to pay staff salaries and benefits instead. Don't believe me? I have attached staff's proposed 2020-21 budget (its income and expense statement for the General Fund¹³) as Exhibit "B" to this written statement. Note where I have placed asterisks next to a combined \$3,539,383 of *ad valorem*/C-Tax revenue. Now look at the expenses on that page. Besides \$3,317,636 in administrative salaries and benefits, show me where one dime has been proposed to be spent on the community's parks and athletic fields.

And Not That it Makes a Difference, But We Have No Idea What Percentage of Park Use is *Not* Being Used by Local Property Owners: In addition to the obvious, many of our athletic fields are being used by sports clubs who play sports clubs from other communities/states.

Staff Tell the Board and the Public That the Reason Access to and Use of Our Recreational Facilities Are Made Available to the General Public, is so They Will Reduce the Costs Local Property Owners Are Required to Advance Will be Lower by a Like Amount: As the Board and the public can see, given the general public is not charged user fees to access and use the District's parks and athletic fields, this representation is patently false.

Since IVGID Looks to Washoe County For its Governance, We Pay the County a Separate *Ad Valorem* Property Tax, and the County Directly Benefits From the Transient Occupancy Tax ("TOT") Assessed on the World's Tourists Who Lodge in Incline Village/Crystal Bay and Use Our Recreational Facilities While Visiting, Why Isn't the County Paying For Maintenance/Repair/Improvement to IVGID's as Well as its Own Parks and Athletic Fields? What *ad valorem* and other taxes/fees does it collect from the communities of Incline Village and Crystal Bay? What TOTs are collected on the world's tourists who lodge in Reno/ Sparks/South Lake Tahoe/Incline Village/Crystal so they can recreate at the District's recreational facilities? What portion of those taxes/fees are shared with the District? What recreational facilities and programs does Washoe County provide to the inhabitants of

¹¹ See page 89 of the 3/11/2020 Board packet.

¹² See page 128 of the 3/11/2020 Board packet – Exhibit "A."

¹³ See page 161 of the 3/11/2020 Board packet.

Incline Village and Crystal Bay? Instead of attacking me, the messenger, why isn't the District making Washoe County and the RSCVA subsidize staff's overspending on the District's Parks and athletic fields?

Conclusion: Staff propose assessing local parcel/dwelling unit owners at least \$730,067 more than they actually require to subsidize the District's Parks and athletic fields which are available to be used by the general public as a whole *for free*. Given this is an improper use of a true "fee," the District has no power to levy special taxes against property, and this subsidy amounts to nearly \$90.00 a parcel unit, I request this amount *not* be budgeted, and the RFF be *reduced* by a like amount.

And to those asking why your RFF/BFF are as high as they are, and never seem to be reduced, now you have another example of the reasons why.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

EXHIBIT "A"

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
PARKS
PROPOSED OPERATING SOURCES AND USES
FOR THE FISCAL YEAR ENDING JUNE 30, 2021

	Actual FYE - 18	Actual FYE - 19	Estimated Actual FYE- 20	Approved Budget FYE - 20	Proposed Budget FYE - 21
Sources:					
Ad Valorem Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -
Consolidated Taxes	-	-	-	-	-
Charges for Services	48,910	46,580	53,000	62,178	65,801
Facility Fee	703,856	873,701	730,067	730,067	730,067
Investment income	-	-	-	-	-
Miscellaneous Revenues	19,854	250	9,000	-	-
Intergovernmental	20,220	14,570	23,000	23,400	21,700
Interfund	63,685	70,604	78,000	82,010	84,926
Central Services	-	-	-	-	-
Total Sources	856,525	1,005,705	893,067	897,655	902,494
Uses:					
Salaries & Wages	332,157	337,927	338,000	345,389	342,681
Employee Benefits	71,527	75,544	75,000	85,289	86,061
Total Personnel	403,684	413,471	413,000	430,678	428,742
Professional Services	1,080	1,110	1,100	1,140	1,170
Services & Supplies	268,312	258,733	288,000	303,876	302,862
Insurance	13,541	18,718	13,800	16,800	13,320
Utilities	93,082	83,907	9,600	96,485	96,485
Cost of Goods Sold	-	-	-	-	-
Central Services	38,600	39,500	42,300	42,300	45,540
Defensible Space	-	-	-	-	-
Total Services & Supplies	414,615	401,968	354,800	460,601	459,377
Total Uses	818,299	815,439	767,800	891,279	888,119
Net Sources (Uses)	\$ 38,226	\$ 190,266	\$ 125,267	\$ 6,376	\$ 14,375

EXHIBIT "B"

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
GENERAL FUND
PROPOSED SOURCES AND USES
FOR THE FISCAL YEAR ENDING JUNE 30, 2021

	Actual FYE - 18	Actual FYE - 19	Estimated Actual FYE- 20	Approved Budget FYE - 20	Proposed Budget FYE - 21
Sources:					
Ad Valorem Property Tax	\$ 1,533,905	\$ 1,604,615	\$ 1,690,000	\$ 1,697,807	\$ 1,787,000
Consolidated Taxes	1,649,920	1,708,093	1,750,000	1,751,692	1,752,383
Charges for Services	-	-	-	-	-
Facility Fee	-	-	-	-	-
Investment income	89,960	327,815	275,000	201,000	131,400
Miscellaneous Revenues	2,047	2,002	2,000	2,400	2,400
Intergovernmental	-	-	-	-	-
Interfund	-	-	-	-	-
Central Services	1,094,000	1,169,400	1,367,400	1,367,400	1,471,440
Use of Fund Balance	-	-	-	201,000	-
Total Sources	4,369,832	4,811,925	5,084,400	5,221,299	5,144,623
Uses:					
Salaries & Wages	1,848,640	2,013,473	2,125,000	2,125,940	2,168,182
Employee Benefits	803,839	887,376	1,050,000	1,068,804	1,149,454
Total Personnel	2,652,479	2,900,849	3,175,000	3,194,744	3,317,636
Professional Services	218,282	322,466	340,000	293,750	347,975
Services & Supplies	562,451	545,204	600,000	768,185	780,940
Insurance	50,440	62,791	53,000	52,680	53,100
Utilities	102,550	101,839	106,000	106,565	106,685
Cost of Goods Sold	-	-	-	-	-
Central Services	-	-	-	-	-
Defensible Space	-	-	-	-	-
Total Services & Supplies	933,723	1,032,300	1,099,000	1,221,180	1,288,700
General Fund Cap. Exp.	113,813	121,257	340,000	686,445	370,150
Total Uses	3,700,015	4,054,406	4,614,000	5,102,369	4,976,486
Net Sources (Uses)	\$ 669,817	\$ 757,519	\$ 470,400	\$ 118,930	\$ 168,137

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS MARCH 11, 2020 REGULAR IVGID BOARD MEETING – AGENDA ITEM G(6)(j) – BECAUSE LOCAL PARCEL/DWELLING UNIT OWNERS SHOULD NOT BE SUBSIDIZING THE COSTS OF ACCESS TO THE TENNIS CENTER, A MINIMUM OF \$114,842 OF THE CENTER’S PROPOSED EXPENSES SHOULD NOT BE BUDGETED

Introduction: Here staff seek Board approval of a proposed operating budget for the Tennis Center¹. For those not familiar with accounting jargon insofar as this proposed budget is concerned, the word “Sources” refers to revenues, and the word “Uses” refers to expenses. Therefore Exhibit “A” consists of nothing more than a proposed income and expense statement for the Tennis Center. For purposes of this written statement I have placed an asterisk next to the \$114,842 RFF entry on Exhibit “A.” And that’s the purpose of this written statement.

Do You Understand What This \$114,842 “Facility Fee” Entry Represents? For those who don’t, this is the amount staff propose local parcel/residential dwelling unit owners involuntarily *subsidize* the Tennis Center’s proposed overspending.

Given the Tennis Center is a Facility Available for the Public’s Use, Please Understand it Exists Just as Much For the Benefit of the World’s Tourists as the Few Local Parcel/Residential Dwelling Unit Owners Who May Actually Use it: Notwithstanding, *only* the local parcel/residential dwelling unit owners who pay the RFF are asked to subsidize the Tennis Center’s negative cash flow.

Please Understand That the Numbers I Will Share Are Staff’s Numbers: even though I and others I know are of the opinion that staff’s financial reporting is deceitfully presented to put the happiest face forward possible. As an example, since Exhibit “A” represents operational cash flow, one cannot see the massive additional negative cash flow caused by capital expenditures. Thus the financial picture presented is distorted.

Please Understand That These Numbers Do NOT Include Capital Expenditures: Given staff have budgeted for \$4,159,900 of *additional* Community Services² Capital Expenditures³ without any breakdown as to how much is assigned to the Tennis Center, the Board and the public have no idea how much *more* in *negative* cash flow is properly assignable to Tennis Center functions. Moreover,

¹ A copy of that budget appears at page 139 of the packet of materials prepared by staff in anticipation of this March 11, 2020 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_3-11-20.pdf (“the 3/11/2020 Board packet”)]. This page is attached as Exhibit “A” to this written statement.

² Tennis is a sub-fund of the District’s Community Service Fund.

³ See page 89 of the 3/11/2020 Board packet.

these numbers don't include the \$1,170,000 currently budgeted for the current tennis renovation project⁴. Thus like I said, the Tennis Center's financial picture presented is distorted.

Nonetheless, Staff Admit They Are Proposing to Overspend \$114,842 at the Tennis Center, and They Propose This Overspending Be Subsidized By the RFF³:

Please Understand That at the Board's June 19, 2019 Meeting, Stephen Bohnet of Finn Consulting Presented Evidence That 84% of Local Parcel/Residential Dwelling Unit Owners Assessed the RFF NEVER USE THE TENNIS CENTER⁵: And if we add those who only used it once or twice in the last year, this number balloons to a whopping 89%! For these and other reasons I unsuccessfully urged the Board to vote against the proposed \$1.285 million renovation of the Tennis Center⁶ because it violates the "pay for what you use" principle.

What is the Justification for Forcing 84% of Local Parcel/Residential Dwelling Unit Owners/ Their Occupants Who NEVER Use the Tennis Center to Involuntarily Finance \$1.285 Million or More of Tennis Center Renovations? And remember, this number is on top of the \$164,000 of 2019-20⁷ and the current \$114,182 of proposed 2020-21 operational overspending!

And Not That it Makes a Difference (Because Budgeting to Overspend is Wrong Regardless), But We Have No Idea of What Percentage of Tennis Center Use is Not Actually Being Used by Local Property Owners: In the Fall/Winter 2019 edition of the IVGID Quarterly⁸, staff highlighted many of the "programs" administered out of the Tennis Center. All were/are available to members of the general public, whether or not local parcel/residential dwelling unit owners paying the RFF. Thus access to and use of the Tennis Center is promoted by staff to visitors/tourists when in contrast, NRS 318.015 instructs that the District's recreational facilities and the services they offer should primarily exist for the benefit of "the inhabitants...of (Incline Village, Crystal Bay) and of the State of Nevada."

Staff Tell the Board and the Public That the Reason Access to and Use of Our Recreational Facilities Are Made Available to the General Public, is so the Revenues Realized From the General

⁴ See pages 11 and 12 of the 3/11/2020 Board packet.

⁵ See page 24 of the packet of materials prepared by staff in anticipation of the Board's June 19, 2019 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_6-19-19.pdf ("the 6/19/2019 Board packet")].

⁶ See pages 193-202 of the packet of materials prepared by staff in anticipation of the Board's July 17, 2019 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_7-17-19.pdf ("the 7/17/2019 Board packet")].

⁷ See page 193 of the packet of materials prepared by staff in anticipation of the Board's May 22, 2019 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_5-22-19.pdf ("the 5/22/2019 Board packet")].

⁸ Go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/IVGID_Qrtly-Sept-2019.pdf.

Public Will Reduce the Costs Local Parcel Owners Are Required to Pay: But this is a false narrative⁹ and staff know it to be false.

In 2002 as Well as 2013 the Board Instructed Staff to Budget Tennis Center Operations on a Financially Breakeven Basis. What Happened? On December 11, 2002 the Board adopted Resolution 1736¹⁰ which adopted Financial Standards for the District's various recreational facilities including the Tennis Center. As the Board and the public can see from ¶VII(A) of Resolution 1736, that Board declared that the services provided by the Tennis Center be "provide(d) on a breakeven basis." Although for political reasons Resolution 1736 was rescinded on March 26, 2008 and replaced with a watered down version of Policy 2.1.0, the subject was again discussed by the Board at its October 1, 2013 meeting. Thereat Board members were asked whether each of the District's recreational facilities and the programs offered thereat "should generate a profit, break even, or simply provide value?" Four (4) of the five (5) trustees declared the Tennis Center should operate on a breakeven or on a profit basis¹¹. **So why is it acceptable to continue to budget for operational losses?** Isn't it time for this Board to take charge of the District's finances rather than passing off this duty to staff who have demonstrated they are not capable of managing the District's recreational venues on a financial break even or positive cash flow basis?

Conclusion: In addition to massive capital costs, Staff propose assessing local parcel/residential dwelling unit owners at least \$114,842 in operational overspending to subsidize the Tennis Center and the many programs administered therefrom. Public Works Director Joseph Pomroy often speaks about fairness and equity insofar as our utility rates are concerned. To make his argument, he uses the example "pay for what you use." In other words, don't make the majority of rate payers pay for the excess services exacted by a few. Well why should it be any different insofar as the fees charged at any of the District's recreation venues (here the Tennis Center) are concerned¹¹? Shouldn't access and use be paid by those few who actually use this facility and the services it offers rather than the overwhelming majority of local parcel/residential dwelling unit owners who do not¹²?

⁹ One need merely look at staff's proposed Diamond Peak income and expense statement (see page 102 of the 3/11/2020 Board packet). Instead of reducing the RFF by the \$1,640,600 of alleged savings, that money is proposed to be used to subsidize overspending at the District's *other* recreational facilities.

¹⁰ Resolution 1736 is attached as Exhibit "B" to this written statement.

¹¹ A spreadsheet depicting trustees' views on this subject was attached to the minutes of the Board's October 1, 2013 meeting [see page 126 of the materials prepared by staff in anticipation of the Board's October 30, 2013 meeting ("the 10/30/2013 Board packet")]. A copy of that spreadsheet is attached as Exhibit "C" to this written statement.

¹² Some years ago the Board commissioned a "parcel utilization" survey. What the Board and the public discovered is that system wide, on average less than 15% of the parcels/residential dwelling units assessed the RFF had an owner/occupant who used any of the District's recreational facilities

Therefore I request that this \$114,842 *not* be budgeted, and all Tennis Center programs/ services be eliminated unless they are financially break even or positive cash flow. Direct our staff figure out how to increase revenues/reduce costs to eliminate all negative cash flow. And if they are not capable, maybe it's time to find another operator or dispose of this asset.

And to those asking why your RFF/Beach Facility Fee ("BFF") are as high as they are, and never seem to be reduced, now you have another example of the reasons why.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

just once in the preceding year. This means that the overwhelming majority of parcel/residential dwelling unit owners paying the RFF/their occupants *never* use a given recreational facility.

EXHIBIT "A"

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
TENNIS
PROPOSED OPERATING SOURCES AND USES
FOR THE FISCAL YEAR ENDING JUNE 30, 2021

	Actual FYE - 18	Actual FYE - 19	Estimated Actual FYE- 20	Approved Budget FYE - 20	Proposed Budget FYE - 21
Sources:					
Ad Valorem Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -
Consolidated Taxes	-	-	-	-	-
Charges for Services	145,196	153,435	156,000	156,100	158,100
Facility Fee	114,581	130,893	114,842	114,842	114,842
Investment income	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Interfund	-	-	-	-	-
Central Services	-	-	-	-	-
Total Sources	259,777	284,328	270,842	270,942	272,942
Uses:					
Salaries & Wages	120,151	136,149	135,000	139,281	128,372
Employee Benefits	19,854	26,172	26,000	29,131	29,635
Total Personnel	140,005	162,321	161,000	168,412	158,007
Professional Services	540	555	570	570	585
Services & Supplies	53,919	55,751	62,000	61,986	63,830
Insurance	2,289	2,736	3,120	3,120	3,540
Utilities	7,547	7,685	8,100	8,135	8,135
Cost of Goods Sold	13,731	13,696	15,000	15,500	15,500
Central Services	10,500	10,800	12,700	12,700	13,680
Defensible Space	-	-	-	-	-
Total Services & Supplies	88,526	91,223	101,490	102,011	105,270
Total Uses	228,531	253,544	262,490	270,423	263,277
Net Sources (Uses)	\$ 31,246	\$ 30,784	\$ 8,352	\$ 519	\$ 9,665

EXHIBIT "B"

Resolution No. 1736

**BUSINESS RELATIONS AND FINANCIAL STANDARDS
Incline Village General Improvement District**

WHEREAS, IVGID is chartered under state laws and county ordinance to provide utility and recreation services to Incline Village and Crystal Bay; and

WHEREAS, a central purpose of IVGID is to provide quality services which are readily accessible at a minimal competitive price to IVGID residents and property owners; and

WHEREAS, sound business decisions improve the quality and availability of IVGID services, while controlling costs to taxpayers and users located within the boundaries of IVGID, and this requires clear financial objectives and careful control of operations; and

WHEREAS, IVGID business decisions are subject to numerous federal, state, and local regulations; and

WHEREAS, IVGID decisions may have a significant effect on local businesses and the local economy; and

WHEREAS, the health of local businesses affects the welfare of our community; and

WHEREAS, on June 14, 1990, the Board of Trustees of the Incline Village General Improvement District adopted Resolutions No. 1590, "Business Relations," and 1591, "Financial Standards, which was subsequently amended on August 17, 1999; and

WHEREAS, in July 2002, the Board of Trustees directed staff to update the provisions of Resolutions 1590 and 1591; and

WHEREAS, input was received from citizens and staff, and Board workshops were held to bring clarity and direction to the provisions of Resolutions 1590 and 1591.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Incline Village General Improvement District that the Policy Statements on Business Relations and Financial Standards contained in Resolutions 1590 and 1591 are hereby amended and combined into one Policy Statement on Business Relations and Financial Standards, as attached hereto and incorporated herein by reference.

RESOLVED this 11th day of December, 2002.

* * * * *

I hereby certify that the foregoing is a full, true and correct copy of a resolution duly passed and adopted at a regular meeting of the Board of Trustees of the Incline Village General Improvement District on the 11th day of December, 2002, by the following vote:

AYES, and in favor thereof, Trustees:

Syd Brosten, Ted Fuller, Kenny Kinsman, Gail Krolick, Bob Wolf

NOES, Trustees: None

ABSENT, Trustees: None



Secretary

Policy Statement

**BUSINESS RELATIONS and FINANCIAL STANDARDS
Incline Village General Improvement District**

I. PURPOSE

IVGID provides high quality utility and recreation services which are readily accessible at low cost to residents and property owners. This requires clear financial objectives, careful control of operations, and prudent management of investments.

This policy statement provides a general framework for decision-making in five areas:

Services: What services IVGID provides.

Operations: How services are operated.

Marketing: When and how services are offered to visitors.

Finances: What standards are established for financial results.

Businesses: How IVGID relates to local businesses.

II. SERVICES

Subject: What services IVGID provides.

Policy: IVGID will add or delete utility and recreation services in relation to the need for them in the community. Need will be determined based upon objective analysis and public input. IVGID will not initiate new services when existing local public and private providers are meeting community needs.

Factors: In determining whether to offer or continue a service, the IVGID Board will consider the following:

How the service is related to IVGID's charter.

How the service is related to other IVGID services.

Whether other service providers are meeting substantially all of the need or serving the same customers as the proposed IVGID service.

Whether other service providers are located within Incline Village/Crystal Bay.

How the service affects the quality of life and environment.

The character, quality, cost, and availability of services provided by others.

Risk.

Required capital investment. A return on investment (ROI) or return on service (ROS) analysis will be completed on capital improvement projects (CIP) based on a pre-established limit set annually during the budgeting process. Consideration will be given to whether a venue's CIP requests are equal to the venue's depreciation.



The amount of subsidy or the breakeven point relating to the service.

If it is a support rather than a primary service, whether the support service is available on the premises of similar primary facilities.

Whether the service can be provided through IVGID by a private contractor, or only by IVGID employees.

III. OPERATIONS

Subject: How services are operated.

Policy: IVGID will review operating methods for each recreation and utility service on a periodic basis, or when there have been significant negative results, based upon benchmarks over a five-year term. Operating method decisions will be based on an objective analysis of the pros and cons of alternative operating methods, on a case-by-case basis.

Factors: In determining whether to operate a service directly with IVGID employees, or on a contracted basis, the IVGID Board will consider the following:

The expertise and track record of IVGID staff, and of potential contractors.

Risk.

Capital investments.

The breakeven point or cost to IVGID.

Degree of control IVGID and the community desires over operating practices.



Amount of taxpayer subsidy provided to the service.

Effect on resident and owner user fees.

Effect on resident and owner access to the service.

Length and terms of contract required to obtain the interest of reputable private contractors.

Relationship to other IVGID services.

Tax exempt financing restrictions.

Required support by central IVGID staff.

IV. MARKETING

Subject: When and how services are offered to visitors.

Policy: IVGID will market recreation services to visitors when resident and owner access can be maintained; visitor use can be comfortably accommodated; and visitor sales are necessary to finance quality and keep down costs to taxpayers and residents.

Factors: In determining which recreation services to market to visitors, and how to direct this marketing, the IVGID Board will consider the following:

Whether the service is available for use by the general public.

Effect on resident and owner access.

Crowding.

Effect on tax subsidies or resident and owner user fees.

Effect on local economy and local businesses.

Effect on IVGID breakeven point or costs.

Effect on improving the range or quality of services which can be made available.


Cooperative marketing opportunities with the local Visitors and Convention Bureau, Chamber of Commerce, and private businesses.

Whether the IVGID service to be marketed is operated by IVGID staff or by a private contractor.

Cross-marketing relationships with other IVGID services.

V. FINANCES

Subject: What standards are established for financial results.

Policy: IVGID will establish financial standards, identifying which services are to be at breakeven, and which will be subsidized over a five-year term. 

- Factors:** In determining the breakeven point or subsidy, if any, for each service, the IVGID Board will consider the following:
- Relationship of the service to public health, safety, and welfare.
 - Whether it is feasible to charge for the service or control access to it.
 - Whether it is feasible to provide the service at breakeven to IVGID, or with lesser subsidies.
 - Tax rates at subsidy or breakeven levels.
 - Recreation fees at subsidy or breakeven levels.
 - User rates at subsidy or breakeven levels.
 - How many people benefit from the service.
 - Users' ability to pay.
 - Whether the service is subsidized or not subsidized in other communities.
 - Whether there are private businesses offering the service locally without a subsidy.
 - Whether the IVGID service is being operated by IVGID staff or by a private contractor.
 - Relationship to IVGID's financial plans.
 - Whenever CIP exceeds depreciation, consideration must be given to increasing user fees, recreation fees, borrowing or a combination thereof.
 - The increase in net worth of the District when debt is paid down.
 - Competitive pricing of private businesses for which the District already offers a service.
 - Maintain minimum fund reserves in Community Services and Utility Funds, which will be determined by annual review of the 10-year cash flows with a focus on the long-term capital needs for these two enterprise funds. These fund reserves will be evaluated and set each year as part of the annual budgeting process.

VI. BUSINESSES

Subject: How IVGID relates to local businesses.

Policy: IVGID will provide local businesses with opportunities to compete for IVGID contracts. IVGID will work cooperatively with local businesses and business organizations on joint programs and promotions of our community.

Actions: IVGID will implement this policy in the following ways:

Make IVGID contracts available for bid by local businesses.

Consider, within the limits of the law, a policy of preference for Incline Village/Crystal Bay businesses in contract award.

Formalize policies controlling IVGID's merchandising with food/beverage operations to minimize competition with businesses outside IVGID's primary sphere of interest. The 'primary sphere of interest' is defined as functions which take place upon District property.

Continue and expand joint promotional efforts with local businesses and business organizations.

Maintain IVGID's active involvement in business organizations, functions and activities.

The purpose of the District's involvement with businesses must be with the purpose of cooperating in maintaining minimal competitive user and recreation fees.

VII. FINANCIAL STANDARDS

The following five-year objectives are established for the financial performance of IVGID services, to include operations and capital investments:

A. Breakeven and/or Breakeven Point. These services IVGID seeks to provide on a breakeven basis. Measurement is net income after depreciation and interest expense over a five-year term:



- Water
- Sewer
- Trash
- Tennis
- Alpine Skiing
- Golf
- Chateau
- Aspen Grove
- Programs - Adults

December 11, 2002



B. Subsidy. These services IVGID is willing to subsidize. Measurement is net loss after depreciation and interest expense over a five-year term:

Beaches
Parks
Incline Village Recreation Center
Programs - Youth

An annual recreation fee distribution summary, based upon the next fiscal year operating and CIP budget, will be mailed to each recreation parcel owner subsequent to the Board of Trustees adopting the recreation roll. This summary will delineate the amount of the recreation fee to be used or not used by the venues within Community Services.


EXHIBIT "C"

2014-2015 BUDGET PRIORITIES

October 7, 2013

How do you feel about the various venues and programs within IVGID? Do you feel they should generate a profit, break even, or simply provide value? Please check the appropriate box for each venue or program.

(H) Hammerel (W) Wolfe (Sm) Smith (Si) Simonian (D) Devine

Venue or Program	Value	↔	Break Even	↔	Profit
Championship Golf			(H) (Sm) (D) (Si)		(W)
Mountain Golf			(H) (Sm) (D) (Si)		(W)
Chateau	(H) (Sm)		(D)		(W) (Si)
Aspen Grove	(H)		(D)	(Sm) (Si)	(W)
Food & Beverage			(H)		(W) (Sm) (D) (Si)
Diamond Peak Ski Resort			(H)	(D)	(W) (Sm) (Si)
Parks	(H) (Sm)	(W) (D) (Si)			
Tennis 		(W)	(H) (Sm) (Si)	(D)	
Youth Programs	(H)	(W) (D)	(Si)	(Sm)	
Adult Programs	(H)	(W) (D)	(Si)	(Sm)	
Senior Programs	(H)	(W) (D)	(Si)	(Sm)	
Recreation Center	(Sm) (Si)		(H) (W) (D)		
Beaches	(H)	(D)			(W) (Sm) (Si)
(H) Winter golf course usage	(H) (Sm) (Si)				
(H) Create IVGID land use policy	(H) (Sm) (Si)				
(H) Mobile POS			(H) (Sm) (Si)		
(H) Grant writer			(H) (Sm)		
(H) District-wide pass/resort charge			(H) (Sm)		
(H) District-wide bike racks	(H) (Sm)				
(H) Electric car chargers	(H) (Sm)				
(W) Keep rec/beach fee level			(Sm)		
(D) Wildlife			(Sm) (D)		

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WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS MARCH 11, 2020 REGULAR IVGID BOARD MEETING – AGENDA ITEM G(6)(r) – BECAUSE STAFF REFUSE TO SHARE THE EXPENDITURES THEY PROPOSE BE BUDGETED TO THE GENERAL FUND, LOCAL PARCEL/ RESIDENTIAL DWELLING UNIT OWNERS ARE INDIRECTLY FORCED TO SUBSIDIZE OVERSPENDING IN THIS FUND THROUGH CENTRAL SERVICES TRANSFERS, AND THERE ARE AT LEAST \$72,000 IN WASTEFUL/ UNNECESSARY EXPENDITURES PROPOSED WITH TRI-STRATEGIES WHICH REQUIRE DELETION, THE BOARD SHOULD NOT RATIFY/APPROVE STAFF’S PROPOSED EXPENDITURES IN THIS FUND UNTIL STAFF PRODUCE A LINE ITEM SUMMARY OF PROPOSED EXPENDITURES

Introduction: Here staff seek Board approval of a proposed operating budget for the General Fund¹ (aka “District Administration”). For those not familiar with accounting jargon insofar as this proposed budget is concerned, the word “Sources” refers to revenues, and the word “Uses” refers to expenses. Therefore Exhibit “A” consists of nothing more than a proposed income and expense statement for the General Fund. For purposes of this written statement I call the Board’s and the public’s attention to the following entries, and what I believe they represent:

1. **\$1,787,000 of *ad valorem* tax revenue:** This is the District’s estimated 2020-21 *ad valorem* tax revenue from local non-exempt parcels;
2. **\$1,752,383 of consolidated (C-Tax) revenue:** There is a statewide C-Tax which consists of various sources of revenue including sales taxes and fees from vehicle registration. This tax gets allocated amongst various local governments, and this is the District’s estimated 2020-21 allocation;
3. **\$3,549,383 of combined 2020-21 tax revenues:**
4. **\$3,317,636 of proposed 2020-21 personnel wages and benefits:** Instead of paying for general governmental services which benefit our community, you can see that essentially 100% of tax revenues are spent on administrative salaries and benefits;
5. **\$2,652,479 of actual 2017-18 personnel wages and benefits:** Thus in just the last four (4) fiscal years, administrative salaries and benefits have increased by \$665,157 or a whopping 25.08%!
6. **\$2,900,849 of actual 2018-19 personnel wages and benefits:** The increase in administrative salaries and benefits between 2017-18 and 2018-19 was \$248,370 or 9.4%.

¹ A copy of that budget appears at page 161 of the packet of materials prepared by staff in anticipation of this March 11, 2020 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_3-11-20.pdf (“the 3/11/2020 Board packet”)]. This page is attached as Exhibit “A” to this written statement.

7. **\$3,175,000 of estimated actual 2019-20 personnel wages and benefits:** The increase in administrative salaries and benefits between 2018-19 and 2019-20 was \$274,151 or another 9.5%.

8. **\$3,317,636 of proposed 2020-21 personnel wages and benefits:** The proposed increase in administrative salaries and benefits between 2019-20 and 2020-21 is \$142,636 or another 4.5%.

9. **\$1,094,000 of actual 2017-18 central services transfer revenue:** What is central services revenue, and from where is it transferred? This revenue is virtual rather than actual out-of-pocket inasmuch as it represents reimbursements to the General Fund (i.e., transfers) “allocated between the Utility, Community Service and Beach Funds to (allegedly) cover the cost of services provided by the General Fund.”² Therefore this “revenue” to the General Fund consisted of nothing more than \$1,094,000 of transfers from the District’s Utility, Community Service and Beach Funds to allegedly reimburse the General Fund for *some*³ of the costs of the administrative services provided to those funds.

Consider that in 2017-18 Public Works employed 34.6 employees, translating into 31.2 FTEs whose costs were assigned to the Utility Fund⁴. In contrast, the District employed 980 employees⁵ system wide, translating into 259.6 FTEs⁶. Notwithstanding 3.35 Public Works employees were assigned to the business office (a customer service representative, a contracts administrator, an administrative manager, and, a program coordinator⁷), staff determined that Public Works not only required the General Fund’s central services, but a whopping 27.14%⁶ (\$297,000) of the allocated cost (\$1,094,000).

Moreover, in just the last four (4) fiscal years central services costs have increased by \$377,440 or a whopping 34.5%!

² See page 157 of the current 2019-20 budget [https://www.yourtahoeplace.com/uploads/pdf-ivgid/2019-20_Operating_Budget.pdf (“the 2019-20 Budget”).]

³ I say “some” of the costs because according to staff, not all of those costs are reimbursed. Rather, only the shared costs of Accounting and Human Resources are allocated under a plan which considers wages, benefits, full time equivalents and certain services and supplies (see ¶15 at page 42 of the latest 2018-19 Comprehensive Annual Financial Report [<https://www.yourtahoeplace.com/uploads/pdf-ivgid/2019-IVGID-CAFRReport.pdf> (“the 2018-19 CAFR”).]

⁴ See page 146 of the 3/11/2020 Board packet.

⁵ Go to <https://transparentnevada.com/salaries/2018/incline-village-general-improvement-district/>.

⁶ Go to page 112 of the 2017-18 budget [https://www.yourtahoeplace.com/uploads/pdf-ivgid/2017.6.16_2017-2018_Operating_Budget.pdf (“the 2017-18 Budget”).]

⁷ See page 125 of the 2017-18 Budget.

Even the most cursory examination of the methodology behind central services reveals that it has been disproportionately assessed against the Utility Fund, and disproportionately increased in just the last four (4) years. And why? Because of all of the District's funds, this is the one which because of its steady revenue source can most easily afford it. And because personnel costs have increased at such an alarming rate, and *ad valorem* and C-Tax revenue remains fairly flat, staff have no other revenue source to keep up with this increase in the General Fund other than central services transfers.

10. \$1,169,400 of actual 2018-19 central services transfer revenue: The increase in allocated central services costs between 2017-18 and 2018-19 was \$75,400 or 6.9%. (compare this to a 9.4% increase in employee wages and benefits).

11. \$1,367,400 of estimated actual 2019-20 central services transfer revenue: The increase in allocated central services costs between 2018-19 and 2019-20 was \$198,000 or a whopping 16.93%. (compare this to a 9.5% increase in employee wages and benefits).

12. \$1,471,440 of proposed 2020-21 central services transfer revenue: The increase in allocated central services costs between 2019-20 and 2020-21 is estimated to be \$104,440 or 7.6%. (compare this to an estimated 4.5% increase in employee wages and benefits).

These are the purposes of this written statement.

What I Believe the Above Data Represent: IVGID's General Fund is supposed to report income and expenses associated with the general governmental services it delivers. Whatever those services actually are, the revenues the District receives in its capacity of being a governmental agency are limited (*ad valorem* and C-Taxes). They are nowhere sufficient to pay for the extensive business infrastructure (HR, IT, Finance, Risk Management, Marketing, Retail Sales, etc.) staff have created.

Notwithstanding NRS 318.180 gives the Board "the power to hire and retain agents, employees (and) servants," and NRS 318.185 gives the Board "the power to prescribe the duties of officers, agents, employees and servants, and (to) fix their compensation," and NRS 318.210 gives the Board "all rights and powers necessary or incidental to or implied from the specific powers granted in this chapter" which would extend to firing agents, employees and servants, past Boards have been hoodwinked by staff into abdicating these powers to staff⁸. Is it any wonder then that in just the last four (4) years staff have increased administrative salaries and benefits a whopping 25.08%? And that the central services transfers necessary to pay for them have increased an even greater 34.5%? And now rather than cutting costs, staff are proposing even more overspending!

Please Understand That the Numbers I Will Share Are Staff's Numbers: even though I and others I know are of the opinion that staff's financial reporting is deceitfully presented to put the

⁸ See Resolution 1480 (pages 12-17 at https://www.yourtahoeplace.com/uploads/pdf-ivgid/IVGID_Policy_and_Procedure_Resolutions.pdf) which gives these powers to the General Manager.

happiest face forward possible. As an example, since Exhibit "A" represents operational cash flow, one cannot see the massive additional negative cash flow caused by capital expenditures. Thus the financial picture presented is distorted.

My E-Mail Request of February 17, 2020: On February 17, 2020 I sent interim General Manager Winquest an e-mail pertaining to the upcoming 2020-21 budget⁹. Knowing that wasteful spending gets buried within the budget's "Services and Supplies" category, I asked to examine "EVERY individual, line item expense, under the Services and Supplies category." Although my request was targeted to the District's Community Services and Beach Funds, it has equal relevance to the District's General Fund. To date staff have neither acknowledged receipt of my request, nor have they made available for my examination any of the requested documents.

For this reason alone, I ask that staff's proposed budget be REJECTED. Unless the records I have requested are made available for public examination, consideration of staff's proposed budget is a wasteful endeavor.

Two Wasteful Expenditures Assigned to Exhibit "A" I Ask Be Expressly Deleted Therefrom – Tri Strategies: Tri-Strategies labels itself "a government relations and public affairs firm specializing in strategic communications, coalition management, public engagement, and government advocacy."¹⁰ What exactly does this firm's publicized services have to do with furnishing facilities for public utilities or recreation? Given the answer is "nothing," why am I discussing it?

Because the District has entered into two contracts with Tri-Strategies whose costs have been assigned to the General Fund and buried under "Services and Supplies." The first contract is to act as a lobbyist for IVGID to influence State legislation. This contract costs local parcel/residential dwelling unit owners \$2,000 per month.

The second contract is to act as a public relations and communication arm for IVGID issuing press releases, amongst other tasks (expenditures pursuant to this contract are wrongfully labeled "Government Affairs" consulting¹¹). And this contract costs local parcel/residential dwelling unit owners \$4,000 per month.

Collectively, these contracts with Tri-Strategies are costing the District \$6,000/month¹¹ plus expenses. I and others I know want these wasteful expenditures to end. Hence this written statement.

⁹ A copy of that e-mail is attached as Exhibit "B" to this written statement.

¹⁰ Go to <https://www.tri-strategies.com/>.

¹¹ As evidence of these expenditures I have attached page 2 of the District's bill pays for the week ending February 13, 2020 (go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/IVGID_Check_Run_02.08.20_to_02.13.20_a.pdf) as Exhibit "C" to this written statement. The public knows these expenses are assigned to the General Fund given the chart of account ("COA") numbers disclosed. The number expressly refers to the General Fund.

Forecasts Unlimited: Unbelievably we're paying this firm \$700/month for...are you ready for this one...weather forecasts¹². The same forecasts available over the internet *for free*! Although the COA number assigned to this payment discloses this expenditure has been assigned to Ski, the argument I am attempting to make is the same as the one applicable to Tri-Strategies. The Board and the public need to know every expense included under the "Services and Supplies" category in our budgets so the Board can exercise *line item deletion*.

Conclusion: Here staff propose the Board blindly rubber stamp its intent to spend nearly \$5,600,000 on items assigned to the General Fund including Public Relations and Communications Services and who knows what else given there is no line item disclosure. Until staff disclose each and every line item expense buried under "Services and Supplies" as I have asked, I request no budget be passed for the General Fund.

And to those asking why your RFF/Beach Facility Fee ("BFF") are as high as they are, and never seem to be reduced, now you have another example of the reasons why.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

¹² I have attached page 2 of the District's bill pays for the week ending February 7, 2020 (go to https://www.yourtahoepace.com/uploads/pdf-ivgid/IVGID_Check_Run_01.31.20_to_02.07.20.pdf) as Exhibit "D" to this written statement.

EXHIBIT "A"

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
GENERAL FUND
PROPOSED SOURCES AND USES
FOR THE FISCAL YEAR ENDING JUNE 30, 2021

	Actual FYE - 18	Actual FYE - 19	Estimated Actual FYE- 20	Approved Budget FYE - 20	Proposed Budget FYE - 21
Sources:					
Ad Valorem Property Tax	\$ 1,533,905	\$ 1,604,615	\$ 1,690,000	\$ 1,697,807	\$ 1,787,000
Consolidated Taxes	1,649,920	1,708,093	1,750,000	1,751,692	1,752,383
Charges for Services	-	-	-	-	-
Facility Fee	-	-	-	-	-
Investment income	89,960	327,815	275,000	201,000	131,400
Miscellaneous Revenues	2,047	2,002	2,000	2,400	2,400
Intergovernmental	-	-	-	-	-
Interfund	-	-	-	-	-
Central Services	1,094,000	1,169,400	1,367,400	1,367,400	1,471,440
Use of Fund Balance	-	-	-	201,000	-
Total Sources	4,369,832	4,811,925	5,084,400	5,221,299	5,144,623
Uses:					
Salaries & Wages	1,848,640	2,013,473	2,125,000	2,125,940	2,168,182
Employee Benefits	803,839	887,376	1,050,000	1,068,804	1,149,454
Total Personnel	2,652,479	2,900,849	3,175,000	3,194,744	3,317,636
Professional Services	218,282	322,466	340,000	293,750	347,975
Services & Supplies	562,451	545,204	600,000	768,185	780,940
Insurance	50,440	62,791	53,000	52,680	53,100
Utilities	102,550	101,839	106,000	106,565	106,685
Cost of Goods Sold	-	-	-	-	-
Central Services	-	-	-	-	-
Defensible Space	-	-	-	-	-
Total Services & Supplies	933,723	1,032,300	1,099,000	1,221,180	1,288,700
General Fund Cap. Exp.	113,813	121,257	340,000	686,445	370,150
Total Uses	3,700,015	4,054,406	4,614,000	5,102,369	4,976,486
Net Sources (Uses)	\$ 669,817	\$ 757,519	\$ 470,400	\$ 118,930	\$ 168,137

EXHIBIT "B"

Upcoming Budget

From: s4s@ix.netcom.com
To: "ISW@ivgid.org"
Cc: Callicrate Tim Trustee <callicrate_trustee@ivgid.org>, Dent Matthew <dent_trustee@ivgid.org>, schmitz_trustee@ivgid.org, Wong Kendra Trustee <wong_trustee@ivgid.org>, Morris Peter <morris_trustee@ivgid.org>, Herron Susan <Susan_Herron@ivgid.org>
Subject: Upcoming Budget
Date: Feb 17, 2020 6:14 PM

Hello Indra -

As you know soon staff will be presenting a proposed budget for 2020-21.

Based upon the financial shenanigans I've recently come across, as well as a new one which benefits Forecasts Unlimited (go to <http://www.forecastsunlimited.com/>), I am asking to examine EVERY individual, line item expense, under the Services and Supplies category, in the Community Services and the Beach Special Revenue Funds. I am sharing this request with you now so it doesn't come as a surprise and you have time to work on it before the first version of your proposed budget is made public.

I am sending a copy of this e-mail to the Board asking they NOT approve any budget staff proposes unless what is presented is in the detail I request because otherwise, the Board and the public have no clue whatsoever as to what exactly is being proposed to be expended in the next fiscal year.

I just learned that staff have been paying Forecasts Unlimited \$700 month for weather reports. In my book there is no justification whatsoever for this kind of expense. The basic power to furnish facilities for public recreation was never given to IVGID so it could operate public recreation facilities for the benefit and convenience of the world's tourists. These facilities are supposed to be here for the residents of Incline Village/Crystal Bay and we don't need to financially subsidize the same because revenues which would otherwise obviate the need for a subsidy are wasted on an expenditures like this one.

And now I want to learn of all the other wasteful expenditures our staff bury in these fund categories so they cannot be appropriated ahead of time.

Finally, I ask Ms. Herron include this e-mail in the packet of materials prepared for the next Board meeting so the public can learn what I've learned about IVGID staff's wasteful expenditures.

Thank you for your cooperation and please consider this to be a public records request.

Aaron Katz

EXHIBIT "C"

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
CHECK REGISTER WITH INVOICE DETAIL

Check Date	Payment Type	Check	Vendor#	Name	GL Allocation Amount	Check Amount	Account	Invoice Desc
02/13/2020	EFT	3142	3562	CC Cleaning Service, LLC	5,735.00	5,735.00	350-48-840-7530	Janitorial Services Contract for 364 days at \$185 per day awarded by BOT 10/30/19 ba
02/13/2020	EFT	3143	1937	First Choice Services	130.55	130.55	390-39-780-7415	coffee, tea and sugar
02/13/2020	EFT	3144	2938	Industrial Electrical Co.	1,060.63	1,060.63	340-34-620-7510	Tach Generator Drop-In Replacement for Obsolete Baldor
02/13/2020	EFT	3145	2889	L&C Cook Specialty Foods, Inc.	930.30	930.30	340-00-000-0720	food for resale-statement 02.09.2020
02/13/2020	EFT	3146	3199	Employee Reimbursement	82.84	165.67	200-27-380-7685	reimburse expenses-Environmental education confer-NV City
02/13/2020	EFT	3146	3199	Employee Reimbursement	82.83	165.67	200-28-990-7685	reimburse expenses-Environmental education confer-NV City
02/13/2020	EFT	3147	1943	New West Distributing, Inc.	-616.00	5,188.25	340-34-530-7924	credit on beer
02/13/2020	EFT	3147	1943	New West Distributing, Inc.	65.00	5,188.25	320-31-520-7924	resale beer purchase
02/13/2020	EFT	3147	1943	New West Distributing, Inc.	76.15	5,188.25	340-00-000-0721	resale beer purchase
02/13/2020	EFT	3147	1943	New West Distributing, Inc.	432.00	5,188.25	340-34-530-7924	resale beer purchase
02/13/2020	EFT	3147	1943	New West Distributing, Inc.	5,231.10	5,188.25	340-34-530-7924	resale beer purchase
02/13/2020	EFT	3148	1239	PDM Steel Service Centers, Inc	975.66	975.66	200-25-230-7520	.250 ALUMINUM PLATE 48 X 144, SKID CHARGE
02/13/2020	EFT	3149	2206	Praxair	209.40	418.80	200-22-230-7425	Cylinder Rent Summary 11/20/2019 TO 12/20/2019
02/13/2020	EFT	3149	2206	Praxair	209.40	418.80	200-22-230-7425	CYLINDER RENT SUMMARY 12/20/19-01/20/2020
02/13/2020	EFT	3150	2245	Sierra Meat Co	222.00	3,203.07	340-00-000-0720	food for resale
02/13/2020	EFT	3150	2245	Sierra Meat Co	464.21	3,203.07	340-00-000-0720	food for resale
02/13/2020	EFT	3150	2245	Sierra Meat Co	603.56	3,203.07	340-00-000-0720	food for resale
02/13/2020	EFT	3150	2245	Sierra Meat Co	932.90	3,203.07	340-00-000-0720	food for resale
02/13/2020	EFT	3150	2245	Sierra Meat Co	980.40	3,203.07	340-00-000-0720	food for resale
02/13/2020	EFT	3151	2109	State of Nevada Dept. Conservation	2,060.00	2,060.00	200-25-230-7450	Contract# 4914 Easement
02/13/2020	EFT	3152	1827	Swire Coca Cola USA	1,171.78	3,361.97	340-00-000-0720	beverages for resale
02/13/2020	EFT	3152	1827	Swire Coca Cola USA	2,190.19	3,361.97	340-00-000-0720	beverages for resale
02/13/2020	EFT	3153	1182	Tahoe Supply Company LLC	216.60	416.15	200-25-230-7515	hand sanitizer & disposable gloves
02/13/2020	EFT	3153	1182	Tahoe Supply Company LLC	99.78	416.15	370-43-780-7415	paper hot cups, paper towel and paper plates
02/13/2020	EFT	3153	1182	Tahoe Supply Company LLC	99.77	416.15	390-39-780-7415	paper hot cups, paper towel and paper plates
02/13/2020	EFT	3154	3834	Tri-Strategies, Ltd.	2,000.00	6,000.00	100-10-990-6030	2019-2020 Government Affairs Consultant
02/13/2020	EFT	3154	3834	Tri-Strategies, Ltd.	4,000.00	6,000.00	100-10-990-6030	2019-2020 Government Affairs Consultant
02/13/2020	EFT	3155	1862	Western Nevada Supply	597.28	1,372.28	200-25-990-8120	4 150 1/8T BG L441 RING GSKT, 4 X 1/16 NON ASB RING GSKT 150, FCA 4 STD ST
02/13/2020	EFT	3155	1862	Western Nevada Supply	775.00	1,372.28	200-22-990-8120	8 X 2?-9 #250 F X PE DI SPOOL
02/13/2020	Check	773239	3875	Ascent360, Inc	222.22	2,350.00	320-31-980-7010	Customer Data Platform (CDP) and Customer Relationship Management (CRM) softwa
02/13/2020	Check	773239	3875	Ascent360, Inc	222.22	2,350.00	320-32-980-7010	Customer Data Platform (CDP) and Customer Relationship Management (CRM) softwa
02/13/2020	Check	773239	3875	Ascent360, Inc	1,794.45	2,350.00	340-34-980-7310	Customer Data Platform (CDP) and Customer Relationship Management (CRM) softwa
02/13/2020	Check	773239	3875	Ascent360, Inc	111.11	2,350.00	350-48-980-7010	Customer Data Platform (CDP) and Customer Relationship Management (CRM) softwa
02/13/2020	Check	773240	1566	ATCO International	162.00	162.00	410-51-910-7415	SUKUP JR'S
02/13/2020	Check	773241	2867	Automationdirect.com	19.00	19.00	200-25-230-7515	NITRA pneumatic selector switch,IP65
02/13/2020	Check	773242	2025	B & L Backflow Testing Specialist LLC	346.40	346.40	200-22-870-7415	Differential Pressure Gauge Calibration-Field test kit-material costs for repair and labor
02/13/2020	Check	773243	2321	Bavco	117.80	117.80	200-22-870-7415	test kit calibration check watts, c size battery
02/13/2020	Check	773244	1149	Bobby Jones Golf Co.	77.00	92.21	320-00-000-0710	golf merchandise-Kyle PUD
02/13/2020	Check	773244	1149	Bobby Jones Golf Co.	15.21	92.21	320-31-460-7945	golf merchandise-Kyle PUD
02/13/2020	Check	773245	3200	Customer Refund	91.86	91.86	200-00-000-2860	Utility Customer Refund
02/13/2020	Check	773246	2985	Erickson, Thorpe & Swainston, LTD	5,543.87	8,483.27	100-10-990-6010	Legal 10/29/19-2/6/2020
02/13/2020	Check	773246	2985	Erickson, Thorpe & Swainston, LTD	2,939.40	8,483.27	100-10-990-6010	Legal 5/29/19-8/7/16 Katz v IVGID
02/13/2020	Check	773247	3453	Farmer Bros. Co	316.69	316.69	340-00-000-0720	beverages for resale
02/13/2020	Check	773248	1672	FedEx	7.21	7.21	200-22-870-7415	Engineering-Shipping
02/13/2020	Check	773249	1081	Global Equipment Co., Inc.	487.31	487.31	340-34-690-7415	Hiland Patio Heater/propane
02/13/2020	Check	773250	1328	Grainger, Inc.	9.03	1,698.75	200-25-220-7515	MINIATURE LAMP,655,5.6W,T3 1/4,28V,PK10
02/13/2020	Check	773250	1328	Grainger, Inc.	1,132.17	1,698.75	200-25-230-7520	LINE INTERACTIVE,3.00KVA,120VAC
02/13/2020	Check	773250	1328	Grainger, Inc.	14.49	1,698.75	410-51-920-7405	MOUSE,CORDED,2 BUTTON,BLACK
02/13/2020	Check	773250	1328	Grainger, Inc.	14.22	1,698.75	370-43-780-7415	PRE-MOISTENED CLEANING TISSUES,PK100
02/13/2020	Check	773250	1328	Grainger, Inc.	0.66	1,698.75	200-22-230-7515	REDUCER BUSHING,1/2X3/8 IN,SPIGOTXFPT
02/13/2020	Check	773250	1328	Grainger, Inc.	127.41	1,698.75	200-25-230-7520	TEE,1/4",THREADED,316 STAINLESS STEEL,HEX NIPPLE,PIPE SIZE 1/4 IN,HEX SI
02/13/2020	Check	773250	1328	Grainger, Inc.	153.55	1,698.75	200-25-230-7520	WEDGE ANCHOR,1/2" DIA.,3-3/4" L,PK50
02/13/2020	Check	773250	1328	Grainger, Inc.	56.06	1,698.75	390-39-780-7415	EAR MUFFS,HEADBAND,BLK/YEL,30DB
02/13/2020	Check	773250	1328	Grainger, Inc.	85.48	1,698.75	200-25-230-7520	FULL MORTISE HINGE,304 SS,SATIN,4-1/2"
02/13/2020	Check	773250	1328	Grainger, Inc.	18.89	1,698.75	410-51-920-7440	CABLE TIE,13.4 IN,BLACK,PK50, CRIMPER,RG-59, RG-62,9" L, QK CHANGE DISC,2
02/13/2020	Check	773250	1328	Grainger, Inc.	86.79	1,698.75	410-51-920-7490	CABLE TIE,13.4 IN,BLACK,PK50, CRIMPER,RG-59, RG-62,9" L, QK CHANGE DISC,2
02/13/2020	Check	773251	1835	Greg Norman/Tharanco Lifestyles LLC	2,091.26	4,477.45	320-00-000-0710	Merchandise for golf shops
02/13/2020	Check	773251	1835	Greg Norman/Tharanco Lifestyles LLC	117.60	4,477.45	320-31-460-7945	Merchandise for golf shops
02/13/2020	Check	773251	1835	Greg Norman/Tharanco Lifestyles LLC	2,157.10	4,477.45	320-00-000-0710	Merchandise for golf shops
02/13/2020	Check	773251	1835	Greg Norman/Tharanco Lifestyles LLC	111.49	4,477.45	320-31-460-7945	Merchandise for golf shops
02/13/2020	Check	773252	3461	Griswold Industries/dba: CLA-VAL CO	2,761.00	2,761.00	200-22-220-7515	KIT,RPPT 60/61, CSM11-A2-2, CV, CVS-1.; ADPTR ASSY X105L 2-3BR8
02/13/2020	Check	773253	3733	Halo Branded Solutions, INC	149.70	149.70	340-34-990-7430	Employee Uniforms
02/13/2020	Check	773254	2090	High Sierra Patrol, Inc.	155.00	2,377.75	100-10-990-7605	January 2020 Security Patrol Services

EXHIBIT "D"

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
CHECK REGISTER WITH INVOICE DETAIL

Check Date	Payment Type	Check	Vendor#	Name	GL Allocation Amount	Check Amount	Account	Invoice Desc
02/07/2020	EFT	3099	3558	Alta Vista Janitorial	220.00	3,420.00	350-48-840-7510	01.12.2020 & 01.26.2020 cleaning Sauna & carido rooms
02/07/2020	EFT	3100	3686	AP Technology, LLC	175.00	175.00	100-12-120-7415	SecureCheck Signature Digitization-Remove Wong add Callicrate.
02/07/2020	EFT	3101	2998	Belkorp AG, LLC	164.71	164.71	410-51-910-7490	Frame/Weldment, Packer Arm
02/07/2020	EFT	3102	2019	BJG Architecture & Engineering	16,262.50	16,262.50	380-45-880-8120	Tennis Center Renovation; architectural services. Board awarded 8/14/19.
02/07/2020	EFT	3103	1902	Burgarello Alarm, Inc	90.00	315.00	430-53-940-7520	Alarm repair-Aquatics
02/07/2020	EFT	3103	1902	Burgarello Alarm, Inc	115.00	315.00	430-53-940-7520	alarm repair-Chateau
02/07/2020	EFT	3103	1902	Burgarello Alarm, Inc	110.00	315.00	430-53-940-7520	Alarm repairs Mountain Golf
02/07/2020	EFT	3104	1886	Capital Beverage, Inc.	31.92	31.92	340-00-000-0721	beer for resale
02/07/2020	EFT	3105	3562	CC Cleaning Service, LLC	10,075.00	10,075.00	340-34-690-7530	Janitorial Services for 120 Day High Season per BOT Award 10/30/19 based \$325 per c
02/07/2020	EFT	3106	1356	CDW Government, Inc.	2,282.50	2,282.50	200-22-970-7300	CANON IMAGEFORMULA CR-190I II
02/07/2020	EFT	3107	3680	Codale Electric Supply	979.00	979.00	200-22-220-7520	A-B 825-MCM180 Current Converter Mo
02/07/2020	EFT	3108	3199	Employee Reimbursement	250.00	250.00	200-00-000-2396	Med Reimb 02/01/2020
02/07/2020	EFT	3109	1760	Doppelmayr USA, Inc.	89.20	4,975.44	340-34-620-7510	CABLE PMI-PSM SOLDERED
02/07/2020	EFT	3109	1760	Doppelmayr USA, Inc.	2,488.65	4,975.44	340-34-620-7510	DROP SHEAVE HUB, SIDE PLATE, BRAKE SHOE, COMPLETE, HALFEN BOLT, V-B
02/07/2020	EFT	3109	1760	Doppelmayr USA, Inc.	2,397.59	4,975.44	340-34-620-7415	ELEC SPECIALIST OVERTIME,EXPENSES AIR LODGING ETC,PER DIEM INSIDE U
02/07/2020	EFT	3110	3408	Enerspect Medical Solutions, LLC	184.37	3,284.87	100-12-140-7433	Cardiac Science Powerheart G3 Plus Fully-Auto AED with case. First Aid
02/07/2020	EFT	3110	3408	Enerspect Medical Solutions, LLC	737.25	3,284.87	200-22-240-7433	Cardiac Science Powerheart G3 Plus Fully-Auto AED with case. First Aid
02/07/2020	EFT	3110	3408	Enerspect Medical Solutions, LLC	1,626.00	3,284.87	320-31-990-7433	Cardiac Science Powerheart G3 Plus Fully-Auto AED with case. First Aid
02/07/2020	EFT	3110	3408	Enerspect Medical Solutions, LLC	737.25	3,284.87	430-53-940-7415	Cardiac Science Powerheart G3 Plus Fully-Auto AED with case. First Aid
02/07/2020	EFT	3111	2042	EXL Media	2,125.00	14,137.54	330-33-980-7010	EXL Media 2019-20 media buying services for Community Services venues - Agency Fr
02/07/2020	EFT	3111	2042	EXL Media	500.00	14,137.54	350-48-980-7010	EXL Media 2019-20 media buying services for Community Services venues - Agency Fr
02/07/2020	EFT	3111	2042	EXL Media	4,073.98	14,137.54	330-33-980-7010	EXL Media 2019-20 media buying services for Facilities/Weddings
02/07/2020	EFT	3111	2042	EXL Media	438.56	14,137.54	350-48-980-7010	EXL Media 2019-20 media buying services for Rec Center
02/07/2020	EFT	3111	2042	EXL Media	7,000.00	14,137.54	340-34-980-7010	EXL Media 2019-20 media buying services for Community Services venues - Agency Fr
02/07/2020	EFT	3112	2327	Fall Line Corp	455.00	455.00	340-34-630-7510	POLYSTAKE SQUARE RED 5 FOOT
02/07/2020	EFT	3113	3719	Forecasts Unlimited LLC	700.00	700.00	340-34-630-7415	Weather Forecasts for Feb 2020.
02/07/2020	EFT	3114	3199	Employee Reimbursement	372.40	372.40	200-00-000-2395	Med Reimb 02/01/2020
02/07/2020	EFT	3115	1557	Incline Village Chevron Auto Care & Tire Center	33.51	736.48	330-33-500-7420	January 2020 Fuel Propane
02/07/2020	EFT	3115	1557	Incline Village Chevron Auto Care & Tire Center	225.21	736.48	340-34-690-7415	January 2020 Fuel Propane
02/07/2020	EFT	3115	1557	Incline Village Chevron Auto Care & Tire Center	294.01	736.48	340-34-690-7420	January 2020 Fuel Propane
02/07/2020	EFT	3115	1557	Incline Village Chevron Auto Care & Tire Center	64.40	736.48	350-46-820-7420	January 2020 Fuel Propane
02/07/2020	EFT	3115	1557	Incline Village Chevron Auto Care & Tire Center	119.35	736.48	390-39-780-7420	January 2020 Fuel Propane
02/07/2020	EFT	3116	3199	Employee Reimbursement	65.95	65.95	340-34-610-7685	Jan 2020 Mileage Reimbursement
02/07/2020	EFT	3117	2889	L&C Cook Specialty Foods, Inc.	1,259.06	1,259.06	340-00-000-0720	food for resale-statement 02.02.2020
02/07/2020	EFT	3118	1457	Marcus G Faust, PC	2,342.98	5,713.94	200-25-990-6030	Federal Legislative Advocate Services, BOT approved 5/1/19 - Sr Team request add Ge
02/07/2020	EFT	3118	1457	Marcus G Faust, PC	1,724.15	5,713.94	100-10-990-6030	Federal Legislative Advocate Services, BOT approved 5/1/19 - Sr Team request add Ge
02/07/2020	EFT	3118	1457	Marcus G Faust, PC	1,646.81	5,713.94	200-22-990-6030	Federal Legislative Advocate Services, BOT approved 5/1/19 - Sr Team request add Ge
02/07/2020	EFT	3119	1943	New West Distributing, Inc.	1,224.65	1,224.65	340-00-000-0721	resale beer purchase
02/07/2020	EFT	3120	3142	Pacific States Communications of Nevada, Inc.	129.63	561.33	200-22-990-7840	VOIP Customer Care serv. 02/12/20 to 03/11/2020
02/07/2020	EFT	3120	3142	Pacific States Communications of Nevada, Inc.	129.62	561.33	200-25-990-7840	VOIP Customer Care serv. 02/12/20 to 03/11/2020
02/07/2020	EFT	3120	3142	Pacific States Communications of Nevada, Inc.	151.04	561.33	360-49-990-7840	VOIP Customer Care serv. 02/12/20 to 03/11/2020
02/07/2020	EFT	3120	3142	Pacific States Communications of Nevada, Inc.	151.04	561.33	390-39-990-7840	VOIP Customer Care serv. 02/12/20 to 03/11/2020
02/07/2020	EFT	3121	1239	PDM Steel Service Centers, Inc	1,409.10	1,409.10	340-34-690-7415	1/2 HR PLATE - CR, BURN CHARGES 5 @ 24 X 60.
02/07/2020	EFT	3122	2206	Praxair	494.71	494.71	320-31-520-7415	NITROGEN K, NIT-CO2 25% FOOD GRD 55
02/07/2020	EFT	3123	3529	Reno Cycles & Gear	18.02	18.02	410-51-920-7490	cable-battery to solenoid
02/07/2020	EFT	3124	1936	Sierra Electronics	22.00	22.00	410-51-920-7490	MINI-U -RG56 CRIMP
02/07/2020	EFT	3125	2245	Sierra Meat Co	411.00	4,373.02	340-00-000-0720	food for resale
02/07/2020	EFT	3125	2245	Sierra Meat Co	455.30	4,373.02	340-00-000-0720	food for resale
02/07/2020	EFT	3125	2245	Sierra Meat Co	958.30	4,373.02	340-00-000-0720	food for resale
02/07/2020	EFT	3125	2245	Sierra Meat Co	1,030.90	4,373.02	340-00-000-0720	food for resale
02/07/2020	EFT	3125	2245	Sierra Meat Co	1,517.52	4,373.02	340-00-000-0720	food for resale
02/07/2020	EFT	3126	2384	Sierra Office Solutions	62.17	1,427.71	200-27-380-7470	36 month maintenance contract for PW Admin Xerox effective 1/1/18.
02/07/2020	EFT	3126	2384	Sierra Office Solutions	124.33	1,427.71	200-22-970-7415	36 month maintenance contract for PW Admin Xerox effective 1/1/18.
02/07/2020	EFT	3126	2384	Sierra Office Solutions	62.17	1,427.71	200-28-990-7470	36 month maintenance contract for PW Admin Xerox effective 1/1/18.
02/07/2020	EFT	3126	2384	Sierra Office Solutions	15.00	1,427.71	320-31-420-7330	CN13421-01 Non Network Printer Base 02/01-02/29/2020
02/07/2020	EFT	3126	2384	Sierra Office Solutions	25.00	1,427.71	320-31-990-7330	CN13421-01 Non Network Printer Base 02/01-02/29/2020
02/07/2020	EFT	3126	2384	Sierra Office Solutions	15.00	1,427.71	320-32-990-7330	CN13421-01 Non Network Printer Base 02/01-02/29/2020
02/07/2020	EFT	3126	2384	Sierra Office Solutions	25.00	1,427.71	340-34-530-7330	CN13421-01 Non Network Printer Base 02/01-02/29/2020
02/07/2020	EFT	3126	2384	Sierra Office Solutions	15.00	1,427.71	340-34-960-7330	CN13421-01 Non Network Printer Base 02/01-02/29/2020
02/07/2020	EFT	3126	2384	Sierra Office Solutions	15.00	1,427.71	350-48-990-7330	CN13421-01 Non Network Printer Base 02/01-02/29/2020
02/07/2020	EFT	3126	2384	Sierra Office Solutions	15.00	1,427.71	350-48-990-7330	CN13421-01 Non Network Printer Base 02/01-02/29/2020
02/07/2020	EFT	3126	2384	Sierra Office Solutions	4.14	1,427.71	320-31-990-7330	CN13444-01 Multi Function Copiers Overage 01/01-01/31/2020
02/07/2020	EFT	3126	2384	Sierra Office Solutions	21.92	1,427.71	320-31-990-7330	CN13444-01 Multi Function Copiers Overage 01/01-01/31/2020

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS MARCH 11, 2020 REGULAR IVGID BOARD MEETING – AGENDA ITEM G(6)(g) – BECAUSE LOCAL PARCEL/DWELLING UNIT OWNERS SHOULD NOT BE SUBSIDIZING THE COSTS OF ACCESS TO THE RECREATION CENTER AND THE “PROGRAMMING” ADMINISTERED THEREFROM, THE NEARLY \$1,225,000 OF OUR RECREATION FACILITY FEES (“RFFs”) ASSIGNED TO SUCH ACCESS AND PROGRAMMING (NEARLY \$150.00/ASSESSED PARCEL/RESIDENTIAL DWELLING UNIT) SHOULD BE ELIMINATED BY A LIKE AMOUNT

Introduction: Here staff seek Board approval of an operating budget for proposed “availability” to the Recreation Center and the Community “Programs” administered therefrom¹. For those not familiar with accounting jargon insofar as this proposed budget is concerned, the word “Sources” refers to revenues, and the word “Uses” refers to expenses. Therefore Exhibit “A” consists of nothing more than a series of proposed income and expense statements for Recreation Center and the “Programs” that are administered therefrom. And for purposes of this written statement, I have placed asterisks next to the collective \$1,222,247 RFF entries on Exhibit “A.” And a discussion of this *de facto negative* \$1,222,247 is the purpose of this written statement.

Let’s Understand Exactly What Staff Are Representing on the Income and Expense Statements Attached to Exhibit “A:” Page 119 represents proposed income and expenses assigned to the Recreation Center and the “Fitness, Health & Wellness,” “Aquatics,” and “Adult Sports” programs [the “Recreation Center & Programming (other than) Youth & Seniors”] that are administered therefrom. Page 120 represents proposed income and expenses assigned to “Youth & Family” programs administered out of the Recreation Center. Page 121 represents proposed income and expenses assigned to “Youth & Family Sports” programs administered out of the Recreation Center. And, page 118 represents proposed income and expenses assigned to “Senior” programs administered out of the Recreation Center.

Do You Understand What the Combined \$1,222,247 “Facility Fee” Entry Represents? This is the amount staff propose local parcel/residential dwelling unit owners unnecessarily, wastefully and involuntarily financially support (aka *subsidize*) the Recreation Center and the various programs which are administered therefrom. And understand, since the Recreation Center is a facility available for the public’s use, it exists for the benefit of the world’s tourists rather than just “the inhabitants...of (Incline Village, Crystal Bay) and of the State of Nevada” as NRS 318.015(1) instructs.

Although You May Understand What the Recreation Center is, Do You Understand What “Community Programming” Really Consists of? Instead of simply making the Recreation Center “available” for local parcel/residential dwelling units’ use, staff have decided to operate one-hundred

¹ Copies of that budget appear at pages 118-121 of the packet of materials prepared by staff in anticipation of this March 11, 2020 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_3-11-20.pdf (“the 3/11/2020 Board packet”)]. These pages are collectively attached as Exhibit “A” to this written statement.

(100) or more “programs” administered out of that facility. And just so you understand, besides the obvious, those programs extend to: massage therapy²; child care (aka “Kids Zone”);³ personal training⁴; nutrition assessment⁵; stress reduction⁵; success motivation⁵; Tai Chi Chuan/Chi Gung training⁶; mantra meditation⁷; Gong immersion⁷; Shotokan karate⁸; dancing through the ages⁷; art and painting⁹; baby-sitting training¹⁰; ballet⁹, ballroom⁹, jazz⁸ and hip hop⁸ dancing; after/before school day care; domestic and international travel; senior transportation¹¹; etc., etc. And given these programs are labor intensive, they require staffing by a whopping 25.68 full time equivalent (“FTE”) employees¹². That staffing is broken down into the following categories: “Fitness, Health & Wellness,” “Aquatics,” “Youth & Adult Sports,” “Youth & Family,” and, “Senior;” they are outlined more particularly at pages 114-116 of the 3/11/2020 Board packet; and, **NOT ONE OF THEM operates at a financially break even or on a positive cash flow basis**¹³!

Although it’s One Thing to Offer a Variety of “Programs,” I and Others I Know Believe it is Wrong to Offer Any at a Monetary Loss, and to Force Local Property Owners to Financially Subsidize Them Through the RFF: Stated differently, it’s time for the District’s recreational venues and the programs and services offered from each to stand on the revenues they are able to generate, the expenses they incur, **and nothing more!**

² See page 8 of the Fall/Winter 2019 edition of the IVGID Quarterly [“the IVGID Quarterly” (https://www.yourtahoeplace.com/uploads/pdf-ivgid/IVGID_Qrtly-Sept-2019.pdf)].

³ See page 10 of the IVGID Quarterly.

⁴ See page 12 of the IVGID Quarterly.

⁵ See page 13 of the IVGID Quarterly.

⁶ See page 14 of the IVGID Quarterly.

⁷ See page 16 of the IVGID Quarterly.

⁸ See page 26 of the IVGID Quarterly.

⁹ See page 18 of the IVGID Quarterly.

¹⁰ See page 28 of the IVGID Quarterly.

¹¹ See page 32 of the IVGID Quarterly.

¹² See page 113 of the 3/11/2020 Board packet. Please understand the Recreation Center proposes employing far more than 25.68 employees. There are dozens of part time employees working as little as 4 hours/week (in order to gain free or severely discounted recreational privileges from themselves and their families) who are collectively bundled into a FTE.

¹³ Please understand staff refuse to share the real financial costs associated with any of these programs. Go to OpenGov (<https://www.yourtahoeplace.com/ivgid/financial-transparency/opengov-data-tool>) and attempt to pull up the actual revenues and expenses associated with any of these programs, and see what you come up with. Since the answer is none, rather than putting the burden on me to prove that my assessment is wrong, how come you don’t place the burden upon staff?

Moreover, Please Understand That the Numbers I Will Share With the Board and the Public Are Staff's Numbers: even though I and others I know are of the opinion some of these numbers are "juiced" and others are deceitfully presented.

Moreover Still, Please Understand These Numbers Represent ONLY Operational Numbers: Given staff have budgeted for \$4,159,900 of additional Community Services Capital Expenditures¹⁴ without any breakdown as to how much is assigned to the Recreation Center or "Community Programs," the Board and the public have no idea how much *more* in *negative* cash flow is properly assignable to the Recreation Center or to any particular Community Program category.

Forgetting About Any Recreation Programs Staff Propose Operating Out of the Recreation Center But For "Fitness, Health & Wellness," "Aquatics," and "Adult Sports," Staff Admit They Are Proposing to Budget to Overspend \$820,300 They Assign to the Recreation Center They Propose Be Subsidized By the RFF¹⁵:

Forgetting About Any Recreation Center Expenditures Per Se, Staff Admit They Have Proposed to Spend at Least \$114,842 More on Youth and Family Programs Than the Revenues They Have Proposed Realizing From These Programs. And They Propose This Overspending Be Subsidized By the RFF¹⁶: Actually staff's subsidy number is *greater* because they have failed to assign any central services expense¹⁷ number, notwithstanding 2.17 FTEs are assigned to Senior Programs¹².

Forgetting About Any Recreation Center Expenditures Per Se, Staff Admit They Have Proposed to Spend at Least \$98,436 More on Youth and Family Sports Programs Than the Revenues They Have Proposed Realizing From These Programs. And They Propose This Overspending Be Subsidized By the RFF¹⁸: Actually staff's subsidy number is *greater* because they have failed to assign any central services expense⁶ number, notwithstanding 1.9 FTEs are assigned to Senior Programs¹².

Forgetting About Any Recreation Center Expenditures Per Se, Staff Admit They Have Proposed to Spend at Least \$188,669 More on Senior Programs Than the Revenues They Have Proposed Realizing From These Programs. And They Propose This Overspending Be Subsidized the RFF¹⁹:

¹⁴ See page 89 of the 3/11/2020 Board packet.

¹⁵ See page 119 of the 3/11/2020 Board packet.

¹⁶ See page 120 of the 3/11/2020 Board packet.

¹⁷ Central services expenses are virtual rather than actual out-of-pocket expenses as they represent reimbursements to the General Fund "allocated between the Utility, Community Service and Beach Funds to (allegedly) cover the cost of services provided by the General Fund" [see page 157 of the current 2019-20 budget (https://www.yourtahoeplace.com/uploads/pdf-ivgid/2019-20_Operating_Budget.pdf)].

¹⁸ See page 121 of the 3/11/2020 Board packet.

¹⁹ See page 118 of the 3/11/2020 Board packet.

Actually staff's subsidy number is *greater* because they have failed to assign any central services expense⁶ number, notwithstanding 3.77 FTEs are assigned to Senior Programs¹².

Please Don't Respond That Local Property Owners Should Subsidize the Financial Losses of the Recreation Center and the Programs it Administers Therefrom Because Many Cities or Counties Provide Services Like These to Their Communities at a Financial Loss: Although those communities may be providing the same, they're *not* coming up with the monies to do so by specially taxing local property owners. Rather, they're using some portion of the ad valorem taxes they receive to do so.

Here although IVGID is receiving *ad valorem* and Consolidated (C)-Taxes, it is using them to pay staff salaries and benefits instead. Don't believe me? I have attached staff's proposed 2020-21 budget (its income and expense statement for the General Fund²⁰) as Exhibit "B" to this written statement. Note where I have placed asterisks next to a combined \$3,539,383 of *ad valorem*/C-Tax revenue. Now look at the expenses on that page. Besides \$3,317,636 in administrative salaries and benefits, show me where one dime has been proposed to be spent on the Recreation Center or any of the programs administered therefrom.

And Not That it Makes a Difference, But We Have No Idea What Percentage of Recreation Center Programming is *Not* Being Used by Local Property Owners: In the Fall/Winter 2019 edition of the IVGID Quarterly staff highlighted many of the "Programs" which are administered out of the Recreation Center. All were/are available to members of the general public, whether or not local property owners paying the RFF. And many were assessable on a temporary basis to visitors.

Staff Tell the Board and the Public That the Reason Access to and Use of Our Recreational Facilities Are Made Available to the General Public, is so They Will Reduce the Costs Local Property Owners Are Required to Advance Will be Lower by a Like Amount: As the Board and the public can see, this representation is patently false.

Since IVGID Looks to Washoe County For its Governance, We Pay the County a Separate *Ad Valorem* Property Tax, and the County Directly Benefits From the Transient Occupancy Tax ("TOT") Assessed on the World's Tourists Who Lodge in Incline Village/Crystal Bay and Use Our Recreational Facilities While Visiting, Why Isn't the County Paying For the Recreation Center and the Programs its Administers Therefrom? What *ad valorem* and other taxes/fees does it collect from the communities of Incline Village and Crystal Bay? What TOTs are collected on the world's tourists who lodge in Reno/Sparks/South Lake Tahoe/Incline Village/Crystal so they can recreate at the District's recreational facilities? What portion of those taxes/fees are shared with the District? What recreational facilities and programs does Washoe County provide to the inhabitants of Incline Village and Crystal Bay? Instead of attacking me, the messenger, why isn't the District making Washoe County and the Reno-Sparks Convention & Visitors Authority subsidize staff's overspending at the Recreation Center?

²⁰ See page 161 of the 3/11/2020 Board packet.

Conclusion: Staff propose assessing local parcel/dwelling unit owners at least \$1,222,247 more than they actually require to subsidize the Recreation Center and the many programs which are administered therefrom. Public Works Director Joseph Pomroy often speaks about fairness and equity insofar as our utility rates are concerned by using the example “pay for what you use.” In other words, don’t make the majority of rate payers pay for the excess services a few exact from the public’s water and sewer systems. Well why should it be any different for the Recreation Center and the many programs which are administered therefrom²¹? Shouldn’t access and use be paid by those few who are actually using this facility and the programming and services it offers rather than the majority of local parcel/residential dwelling unit owners who use neither²²? Given this subsidy amounts to nearly \$150.00 a parcel unit, I request this amount *not* be budgeted, the programs be eliminated unless financially self-sustaining, and the RFF be *reduced* by a like amount.

And to those asking why your RFF/BFF are as high as they are, and never seem to be reduced, now you have another example of the reasons why.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

²¹ Moreover some years ago, the Board directed staff to eliminate the financial subsidy of the RFF at all of the Districts recreational venues except possibly the Recreation Center. Yet look how staff have responded.

²² Some years ago the Board commissioned a “parcel utilization” survey. What the Board and the public discovered is that system wide, on average less than 15% of the parcels/residential dwelling units assessed the RFF had an owner/occupant who used any of the District’s recreational facilities just once in the preceding year. This means that the overwhelming majority of parcel/residential dwelling unit owners paying the RFF/their occupants *never* use a given recreational facility.

EXHIBIT "A"

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
RECREATION CENTER & PROGRAMMING WITHOUT YOUTH & SENIORS
PROPOSED OPERATING SOURCES AND USES
FOR THE FISCAL YEAR ENDING JUNE 30, 2021

	Actual FYE - 18	Actual FYE - 19	Estimated Actual FYE- 20	Approved Budget FYE - 20	Proposed Budget FYE - 21
Sources:					
Ad Valorem Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -
Consolidated Taxes	-	-	-	-	-
Charges for Services	1,099,903	1,199,101	1,165,000	1,169,429	1,208,662
Facility Fee	662,934	930,515	795,691	795,691	820,300
Investment income	-	-	-	-	-
Miscellaneous Revenues	1,247	3,483	-	-	-
Intergovernmental	-	-	-	-	-
Interfund	-	-	-	-	-
Central Services	-	-	-	-	-
Total Sources	1,764,084	2,133,099	1,960,691	1,965,120	2,028,962
Uses:					
Salaries & Wages	723,226	813,037	863,000	827,913	888,144
Employee Benefits	194,502	206,371	234,000	244,907	260,540
Total Personnel	917,728	1,019,408	1,097,000	1,072,820	1,148,684
Professional Services	5,400	5,550	5,700	5,700	5,850
Services & Supplies	429,115	425,631	500,300	502,136	501,349
Insurance	36,008	50,559	57,600	57,600	55,920
Utilities	133,555	131,349	143,280	143,560	142,840
Cost of Goods Sold	43,216	38,501	40,000	49,860	44,559
Central Services	101,000	105,700	124,000	124,000	133,440
Defensible Space	-	-	-	-	-
Total Services & Supplies	748,294	757,290	870,880	882,856	883,958
General Fund Cap. Exp.	-	-	-	-	-
Total Uses	1,666,022	1,776,698	1,967,880	1,955,676	2,032,642
Net Sources (Uses)	\$ 98,062	\$ 356,401	\$ (7,189)	\$ 9,444	\$ (3,680)

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
 YOUTH AND FAMILY PROGRAMMING (46-810)
 PROPOSED OPERATING SOURCES AND USES
 FOR THE FISCAL YEAR ENDING JUNE 30, 2021

	Actual FYE - 18	Actual FYE - 19	Estimated Actual FYE- 20	Approved Budget FYE - 20	Proposed Budget FYE - 21
Sources:					
Ad Valorem Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -
Consolidated Taxes	-	-	-	-	-
Charges for Services	107,834	80,533	62,000	34,780	52,250
Facility Fee	147,962	106,870	106,639	106,639	114,842
Investment income	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Interfund	-	-	-	-	-
Central Services	-	-	-	-	-
Total Sources	255,796	187,403	168,639	141,419	167,092
Uses:					
Salaries & Wages	152,188	104,045	102,000	92,414	105,902
Employee Benefits	52,970	42,573	38,000	38,655	43,305
Total Personnel	205,158	146,618	140,000	131,069	149,207
Professional Services	-	-	-	-	-
Services & Supplies	24,787	19,213	14,700	14,725	14,520
Insurance	-	-	-	-	-
Utilities	661	659	720	720	720
Cost of Goods Sold	540	585	-	-	-
Central Services	-	-	-	-	-
Defensible Space	-	-	-	-	-
Total Services & Supplies	25,988	20,457	15,420	15,445	15,240
General Fund Cap. Exp.	-	-	-	-	-
Total Uses	231,146	167,075	155,420	146,514	164,447
Net Sources (Uses)	\$ 24,650	\$ 20,328	\$ 13,219	\$ (5,095)	\$ 2,645

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
 YOUTH AND FAMILY SPORTS (46-811)
 PROPOSED OPERATING SOURCES AND USES
 FOR THE FISCAL YEAR ENDING JUNE 30, 2021

	<u>Actual</u> FYE - 18	<u>Actual</u> FYE - 19	<u>Estimated</u> Actual FYE- 20	<u>Approved</u> Budget FYE - 20	<u>Proposed</u> Budget FYE - 21
Sources:					
Ad Valorem Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -
Consolidated Taxes	-	-	-	-	-
Charges for Services	33,656	31,017	39,000	34,790	41,875
Facility Fee	63,425	98,649	98,436	98,436	98,436
Investment income	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Interfund	-	-	-	-	-
Central Services	-	-	-	-	-
Total Sources	97,081	129,666	137,436	133,226	140,311
Uses:					
Salaries & Wages	86,630	84,444	87,000	86,893	95,070
Employee Benefits	34,894	31,444	39,000	40,538	42,196
Total Personnel	121,524	115,888	126,000	127,431	137,266
Professional Services	-	-	-	-	-
Services & Supplies	6,303	5,152	8,000	6,220	6,120
Insurance	-	-	-	-	-
Utilities	-	-	-	-	-
Cost of Goods Sold	-	-	-	-	-
Central Services	-	-	-	-	-
Defensible Space	-	-	-	-	-
Total Services & Supplies	6,303	5,152	8,000	6,220	6,120
General Fund Cap. Exp.	-	-	-	-	-
Total Uses	127,827	121,040	134,000	133,651	143,386
Net Sources (Uses)	\$ (30,746)	\$ 8,626	\$ 3,436	\$ (425)	\$ (3,075)

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
 SENIOR PROGRAMMING (46-820)
 PROPOSED OPERATING SOURCES AND USES
 FOR THE FISCAL YEAR ENDING JUNE 30, 2021

	Actual FYE - 18	Actual FYE - 19	Estimated Actual FYE- 20	Approved Budget FYE - 20	Proposed Budget FYE - 21
Sources:					
Ad Valorem Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -
Consolidated Taxes	-	-	-	-	-
Charges for Services	48,559	53,394	54,000	46,210	62,110
Facility Fee	165,094	172,636	172,263	172,263	188,669
Investment income	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-
Intergovernmental	17,000	17,000	17,000	17,000	17,000
Interfund	-	-	-	-	-
Central Services	-	-	-	-	-
Total Sources	230,653	243,030	243,263	235,473	267,779
Uses:					
Salaries & Wages	131,808	155,053	158,000	156,804	171,640
Employee Benefits	36,833	40,617	44,000	44,433	48,847
Total Personnel	168,641	195,670	202,000	201,237	220,487
Professional Services	-	-	-	-	-
Services & Supplies	35,829	35,456	37,000	36,965	41,990
Insurance	1,615	-	-	-	-
Utilities	1,023	1,033	1,000	1,080	1,080
Cost of Goods Sold	-	-	-	-	-
Central Services	-	-	-	-	-
Defensible Space	-	-	-	-	-
Total Services & Supplies	38,467	36,489	38,000	38,045	43,070
General Fund Cap. Exp.	-	-	-	-	-
Total Uses	207,108	232,159	240,000	239,282	263,557
Net Sources (Uses)	\$ 23,545	\$ 10,871	\$ 3,263	\$ (3,809)	\$ 4,222

EXHIBIT "B"

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
GENERAL FUND
PROPOSED SOURCES AND USES
FOR THE FISCAL YEAR ENDING JUNE 30, 2021

	Actual FYE - 18	Actual FYE - 19	Estimated Actual FYE- 20	Approved Budget FYE - 20	Proposed Budget FYE - 21
Sources:					
Ad Valorem Property Tax	\$ 1,533,905	\$ 1,604,615	\$ 1,690,000	\$ 1,697,807	\$ 1,787,000
Consolidated Taxes	1,649,920	1,708,093	1,750,000	1,751,692	1,752,383
Charges for Services	-	-	-	-	-
Facility Fee	-	-	-	-	-
Investment income	89,960	327,815	275,000	201,000	131,400
Miscellaneous Revenues	2,047	2,002	2,000	2,400	2,400
Intergovernmental	-	-	-	-	-
Interfund	-	-	-	-	-
Central Services	1,094,000	1,169,400	1,367,400	1,367,400	1,471,440
Use of Fund Balance	-	-	-	201,000	-
Total Sources	4,369,832	4,811,925	5,084,400	5,221,299	5,144,623
Uses:					
Salaries & Wages	1,848,640	2,013,473	2,125,000	2,125,940	2,168,182
Employee Benefits	803,839	887,376	1,050,000	1,068,804	1,149,454
Total Personnel	2,652,479	2,900,849	3,175,000	3,194,744	3,317,636
Professional Services	218,282	322,466	340,000	293,750	347,975
Services & Supplies	562,451	545,204	600,000	768,185	780,940
Insurance	50,440	62,791	53,000	52,680	53,100
Utilities	102,550	101,839	106,000	106,565	106,685
Cost of Goods Sold	-	-	-	-	-
Central Services	-	-	-	-	-
Defensible Space	-	-	-	-	-
Total Services & Supplies	933,723	1,032,300	1,099,000	1,221,180	1,288,700
General Fund Cap. Exp.	113,813	121,257	340,000	686,445	370,150
Total Uses	3,700,015	4,054,406	4,614,000	5,102,369	4,976,486
Net Sources (Uses)	\$ 669,817	\$ 757,519	\$ 470,400	\$ 118,930	\$ 168,137



WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS MARCH 11, 2020 REGULAR IVGID BOARD MEETING – AGENDA ITEM G(6)(c) – BECAUSE OF THE OPERATIONAL CASH FLOW DIAMOND PEAK THROWS OFF, THE \$1,640,000 OF OUR RECREATION FACILITY FEES (“RFFs”) ASSIGNED TO OPERATIONS (\$200/ASSESSED PARCEL/ RESIDENTIAL DWELLING UNIT) SHOULD BE ELIMINATED BY A LIKE AMOUNT RATHER THAN USED TO SUBSIDIZE MORE STAFF OVERSPENDING AT OTHER PUBLIC RECREATION VENUES

Introduction: Here staff seek Board approval of an operating budget for Diamond Peak¹. For those not familiar with accounting jargon insofar as this proposed budget is concerned, the word “Sources” refers to revenues, and the word “Uses” refers to expenses. Therefore Exhibit “A” consists of nothing more than a proposed income and expense statement for Diamond Peak. And for purposes of this written statement, I have placed an asterisk next to the \$1,640,600 “Facility Fee” entry under revenues on Exhibit “A.” A discussion of this \$1,640,600 entry is the purpose of this written statement.

Do You Understand What This Negative Revenue Entry Represents? Assuming the answer is “no,” let me try to explain. Initially, listen to staff’s explanation:

“The proposed facility fee of \$1,640,600...will allow the ski area venue to contribute a sum of \$200.00 a parcel unit to *other* Community Services venues within the District.”²

Translation: the portion of the RFF budgeted to Diamond Peak (here \$1,640,600) isn’t necessary because Diamond Peak operations don’t require a subsidy like the District’s other recreational facilities do. So instead of reducing the RFF by a like amount because it is unnecessary, staff propose keeping the funds and using them to subsidize even *more* over spending at the District’s other recreational facilities.

But That’s Not What Staff Told the Board and Public When it Adopted the RFF: On May 22, 2019 the Board approved³ Resolution 1871⁴ which at ¶6 adopted a “Report For Collection on the

¹ A copy of that budget appears at page 102 of the packet of materials prepared by staff in anticipation of this March 11, 2020 meeting [https://www.yourtahoepace.com/uploads/pdf-ivgid/BOT_Packet_Regular_3-11-20.pdf (“the 3/11/2020 Board packet”)]. This page is attached as Exhibit “A” to this written statement.

² See page 99 of the 3/11/2020 Board packet.

³ See pages 190-193 of the packet of materials prepared by staff in anticipation of the Board’s June 19, 2019 meeting [https://www.yourtahoepace.com/uploads/pdf-ivgid/BOT_Packet_Regular_6-19-19.pdf (“the 6/19/2019 Board packet”)].

⁴ See pages 250-253 of the packet of materials prepared by staff in anticipation of the Board’s May 22, 2019 meeting (“the 5/22/2019 Board packet”).

County Tax Roll of Recreation Standby and Service Charges” (“the Report”) aka the RFF and Beach Facility (“BFF”) Fees. ¶II of that Report declared that this \$1,640,600 was allegedly “**required**...for the proper servicing of...bonds and the administration, operation, maintenance, and improvement of said properties, equipment and facilities.”⁵ Obviously this representation was and is *wrong* given Diamond Peak estimates it does not require said \$1,640,000 as a subsidy.

To Justify the RFF, Staff Tell the Board and the Public That the Reason Access to and Use of Our Recreational Facilities Are Made Available to the General Public is so the User Fees They Pay Will Reduce the Costs Local Property Owners Are Compelled to Advance Will be Lower by a Like Amount: But as the Board and the public can see, this representation is patently false⁶.

Conclusion: Staff propose assessing local parcel/dwelling unit owners at least \$1,640,600 *more* than they actually require to subsidize operational expenses at Diamond Peak. If the District’s other recreational facilities are losing \$1,640,600 more than the sums staff are currently representing, then how about being up front, honest and transparent by sharing the truth so we can have an intelligent conversation about whether it makes sense to operate any facility or series of facilities that loses this much money annually? In the meantime, given this \$1,640,600 amounts to “\$200.00 a parcel unit,”² and staff has represented that if the District’s recreational facilities require less of a subsidy because more of their operating costs are being paid by the world’s tourists, I request this amount *not* be budgeted and the RFF be *reduced* by a like amount instead.

To those asking why your RFF/BFF are as high as they are, and never seem to be reduced, now you have another example of the reasons why.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

⁵ See page 260 of the 5/22/2019 Board packet.

⁶ One need merely look at staff’s proposed Diamond Peak income and expense statement (see page 102 of the 3/11/2020 Board packet). Instead of reducing the RFF by the \$1,640,600 of alleged savings, that money is proposed to be used to subsidize overspending at the District’s other recreational facilities.

EXHIBIT "A"

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
SKI
PROPOSED OPERATING SOURCES AND USES
FOR THE FISCAL YEAR ENDING JUNE 30, 2021

	Actual <u>FYE - 18</u>	Actual <u>FYE - 19</u>	Estimated Actual <u>FYE- 20</u>	Approved Budget <u>FYE - 20</u>	Proposed Budget <u>FYE - 21</u>
Sources:					
Ad Valorem Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -
Consolidated Taxes	-	-	-	-	-
Charges for Services	9,155,646	11,778,871	10,025,000	9,222,320	10,148,735
Facility Fee	(1,636,874)	(1,534,698)	(1,640,600)	(1,640,600)	(1,640,600)
Investment income	23,220	40,320	24,000	-	22,500
Miscellaneous Revenues	74,119	75,437	71,000	71,429	77,240
Intergovernmental	-	-	-	-	-
Interfund	10,329	15,456	10,000	16,200	14,985
Central Services	-	-	-	-	-
Total Sources	7,626,440	10,375,386	8,489,400	7,669,349	8,622,860
Uses:					
Salaries & Wages	2,767,963	3,072,710	2,970,000	2,970,495	3,135,849
Employee Benefits	847,817	925,074	980,000	985,297	1,050,665
Total Personnel	3,615,780	3,997,784	3,950,000	3,955,792	4,186,514
Professional Services	35,800	25,313	23,000	23,400	23,700
Services & Supplies	1,808,998	2,143,376	1,970,000	1,973,731	2,058,216
Insurance	199,812	205,695	195,000	195,400	212,700
Utilities	609,003	558,751	600,000	604,945	627,070
Cost of Goods Sold	450,634	564,528	424,000	424,000	529,100
Central Services	304,300	335,500	388,100	388,100	417,600
Defensible Space	-	-	-	-	-
Total Services & Supplies	3,408,547	3,833,163	3,600,100	3,609,576	3,868,386
Total Uses	7,024,327	7,830,947	7,550,100	7,565,368	8,054,900
Net Sources (Uses)	\$ 602,113	\$ 2,544,439	\$ 939,300	\$ 103,981	\$ 567,960

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS MARCH 11, 2020 REGULAR IVGID BOARD MEETING – AGENDA ITEM G(6)(d) – BECAUSE LOCAL PARCEL/DWELLING UNIT OWNERS SHOULD NOT BE SUBSIDIZING THE COSTS OF MARKETING THE DISTRICT’S RECREATIONAL FACILITIES TO THE WORLD’S TOURISTS, THE NEARLY \$1,200,000 OF OUR RECREATION FACILITY FEES (“RFFs”) ASSIGNED TO MARKETING (NEARLY \$150.00/ASSESSED PARCEL/RESIDENTIAL DWELLING UNIT) SHOULD BE ELIMINATED BY A LIKE AMOUNT

Introduction: Here staff seek Board approval of an operating budget for Marketing and Communications¹. For those not familiar with accounting jargon insofar as this proposed budget is concerned, the word “Sources” refers to revenues, and the word “Uses” refers to expenses. Therefore Exhibit “A” consists of nothing more than a proposed income and expense statement for Marketing and Communications. And for purposes of this written statement, I have placed an asterisk next to the *negative* \$1,197,303 total uses entry under total expenses on Exhibit “A.” A discussion of this *negative* \$1,197,303 entry is the purpose of this written statement.

Do You Understand What This Negative “Total Uses” Entry on Exhibit “A” Represents?

Assuming the answer is “no,” let me try to explain. Initially, listen to staff’s explanation:

The monies our “Marketing & Sales Department (expends to)...promote greater utilization of the facilities by residents² and visitors alike.”³

Now listen to my explanation: the monies local parcel/residential dwelling unit owners unnecessarily, wastefully and involuntarily financially support the marketing of our recreational facilities to the world’s tourists rather than “the inhabitants...of (Incline Village, Crystal Bay) and of the State of Nevada” as NRS 318.015(1) instructs.

Do You Think the Marketing of Our Recreational Facilities to the World’s Tourists This is What the Washoe County Board of Commissioners Had in Mind When They Granted IVGID the Basic Power to Furnish Facilities For Recreation? Of course not!

¹ A copy of that budget appears at page 107 of the packet of materials prepared by staff in anticipation of this March 11, 2020 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_3-11-20.pdf (“the 3/11/2020 Board packet”)]. This page is attached as Exhibit “A” to this written statement.

² I didn’t know we needed to spend nearly \$1.2M to promote greater utilization of the public’s recreational facilities by those who are financially subsidizing them. Aren’t they already subsidizing the equivalent of greater utilization by paying alleged standby service charges for the mere availability to use¹² these facilities?

³ See page 103 of the 3/11/2020 Board packet.

Do You Understand That the Monies to Pay For the Negative “Total Uses” Entry on Exhibit “A” Come From the RFF? The costs associated with marketing and communications are paid by those IVGID departments which use them⁴; Diamond Peak, the Championship and Mountain Golf Courses, Facilities, the Recreation and Tennis Centers and Community Services Administration. Since essentially all of these departments are budgeted to overspend (Diamond Peak⁵, the Championship⁶ and Mountain⁷ Golf Courses, Facilities⁸, the Recreation⁹ and Tennis¹⁰ Centers and Administration¹¹), their overspending is subsidized by the RFF, and when you overspend system wide it is disingenuous to attempt to cherry-pick any single expenditure as *not* representing overspending, the costs associated with marketing and communications are being subsidized by the RFF.

But the RFF Cannot be Used to Subsidize Marketing and Communications Expenditures: because according to IVGID staff, the RFF pays for the mere “availability” of local properties to use the District’s recreational venues¹² once their occupants pay additional the additional user fees which are

⁴ See pages 103-05 of the 3/11/2020 Board packet.

⁵ Although Diamond Peak is not budgeted to overspend, *per se*, in essence it is because of its: allocation of the RFF [see page 102 of the 3/11/2020 Board packet (\$1,640,600)] spent elsewhere [“the proposed fee will allow the ski area venue to contribute (this sum)...to (the overspending of) other Community Services venues” (see page 99 of the 3/11/2020 Board packet)]; and, non-inclusion of some portion of \$3,911,492 in capital improvement expenditures assigned to the RFF (see page 89 of the 3/11/2020 Board packet).

⁶ Look at Championship Golf overspending (see page 92 of the 3/11/2020 Board packet). According to staff this overspending is budgeted to be subsidized by \$32,812 of the RFF.

⁷ Look at Mountain Golf overspending (see page 97 of the 3/11/2020 Board packet). According to staff this overspending is budgeted to be subsidized by \$221,481 of the RFF.

⁸ Look at Facilities overspending (see page 112 of the 3/11/2020 Board packet). According to staff this overspending is budgeted to be subsidized by \$41,015 of the RFF.

⁹ Look at Recreation Center overspending (see page 119 of the 3/11/2020 Board packet). According to staff this overspending is budgeted to be subsidized by \$820,300 of the RFF.

¹⁰ Look at Tennis Center overspending (see page 139 of the 3/11/2020 Board packet). According to staff this overspending is budgeted to be subsidized by \$114,842 of the RFF.

¹¹ Look at Community Services Administration overspending (see page 143 of the 3/11/2020 Board packet). According to staff this overspending is budgeted to be subsidized by \$1,041,781 of the RFF.

¹² Every year the District adopts a resolution setting and directing collection of the RFF. For the current fiscal year, that resolution (1871) was adopted on May 22, 2019 [see pages 250-253 of the packet of materials prepared by staff in anticipation of the Board’s May 22, 2019 meeting {“the 5/22/2019 Board packet” (https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_5-22-19.pdf)}. ¶16 of the resolution adopts a report (see pages 257-262 of

charged at each of those facilities. The availability to use does not include the massive marketing of those facilities to the world's tourists.

To Justify the RFF, Staff Tell the Board and the Public That the Reason Access to and Use of Our Recreational Facilities Are Made Available to the General Public is so the User Fees They Pay Will Reduce the Costs Local Property Owners Are Compelled to Advance Will be Lower by a Like Amount: But as the Board and the public can see, this representation is patently false¹³. In addition to the fact staff's marketing efforts run afoul of a general improvement district's basic powers and reasons for being, our marketing efforts would have to generate a minimum of \$1.2M in new revenues which would never have been generated but for those marketing efforts, *just to break even* (I and others I know believe this is an impossibility)! Stated differently, if we eliminate marketing and our gross revenues decrease by \$1.2M annually, we are no worse off financially than we are today. Since I and others are of the opinion this will not happen, this is another reason why we should eliminate marketing.

Conclusion: Staff propose assessing local parcel/dwelling unit owners at least \$1,200,000 more than they actually require to subsidize marketing and communication endeavors at the District's recreational venues. Given this amounts to nearly \$150.00 a parcel unit, I request this amount *not* be budgeted for marketing and communications, and the RFF be *reduced* by a like amount instead.

And to those asking why your RFF/BFF are as high as they are, and never seem to be reduced, now you have another example of the reasons why.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

the 5/22/2019 Board packet) which at ¶11 declares the RFF represents payment for the mere "availability" of use of the District's recreational facilities.

¹³ One need merely look at staff's proposed Diamond Peak income and expense statement (see page 102 of the 3/11/2020 Board packet). Instead of reducing the RFF by the \$1,640,600 of alleged savings, that money is proposed to be used to subsidize overspending at the District's other recreational facilities⁵.

EXHIBIT "A"

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
DISTRICT-WIDE MARKETING AND COMMUNICATIONS
PROPOSED OPERATING SOURCES AND USES
FOR THE FISCAL YEAR ENDING JUNE 30, 2021

	Actual FYE - 18	Actual FYE - 19	Estimated Actual FYE- 20	Approved Budget FYE - 20	Proposed Budget FYE - 21
Sources:					
Ad Valorem Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -
Consolidated Taxes	-	-	-	-	-
Charges for Services	-	-	-	-	-
Facility Fee	-	-	-	-	-
Investment income	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Interfund	-	-	-	-	-
Central Services	-	-	-	-	-
Total Sources	-	-	-	-	-
Uses:					
Salaries & Wages	278,997	283,405	275,000	336,398	322,317
Employee Benefits	130,628	139,614	125,000	165,239	178,139
Total Personnel	409,625	423,019	400,000	501,637	500,456
Professional Services	-	20,535	48,000	30,000	78,000
Services & Supplies	552,058	545,740	580,000	607,118	606,907
Insurance	-	-	-	-	-
Utilities	8,915	11,087	11,000	11,940	11,940
Cost of Goods Sold	-	-	-	-	-
Central Services	-	-	-	-	-
Defensible Space	-	-	-	-	-
Total Services & Supplies	560,973	577,362	639,000	649,058	696,847
General Fund Cap. Exp.	-	-	-	-	-
Total Uses	970,598	1,000,381	1,039,000	1,150,695	1,197,303
Net Sources (Uses)	\$ (970,598)	\$ (1,000,381)	\$ (1,039,000)	\$ (1,150,695)	\$ (1,197,303)

Public Comment IVGID Board of Trustees Meeting 3/11/2020

If you read Chapter 318 of the NRS, you will understand that GID's were created to provide local services, not facilities for tourism. When I moved here the mantra of the real estate community was our "exclusivity". Now it's all about tourism. I've been fortunate enough to travel to many beautiful places. In some destinations tourists are welcomed; in others, the locals turn away if you try to ask a question. So I try to help tourists who need directions and be an accommodating "host" here in my own community, but I draw the line when I am expected to subsidize tourism with a fee that was supposed to provide recreation for the people who live here.

It's not likely we can turn the County's train wreck called STR regulation. There may not even be any regulation in place this summer. It's looking more and more like transient occupancy will be the "primary" use of residential property in our community. It already is in some of our condo complexes.

More STR's mean higher occupancy during peak seasons and more demand on and for the the amenities and services we subsidize. When we look at our budget and realize the degree of subsidization, maybe it's time to adjust our rates so that we aren't subsidizing use by those who don't live here or own property here. Those not accompanied by a picture pass holder (a resident or an owner) should pay more. Golf has had that practice for years. At the beaches, you used to have to accompany your guests. As long as we have unaccompanied guests (typically paying "guests"), shouldn't they pay more for the privilege, not just at the beaches, but at every venue?

Any maybe we should do away with punch cards altogether. If you live here or own property here you get a picture pass that gives you discounts to be determined. For everyone else, no discount. And if it's the beaches, no entry. And maybe we could finally have financials that make sense, instead of the phony accounting practices of "punch card utilization" that is stuffed into the Community Services Admin Fund and completely throws off the actual financial results of all of our venues.

Judith Miller

IVGID Trash Can Request

- 1) *(Everyone)* Good evening IVGID Board of Trustees.
- 2) *(Julie)* Thank you for the opportunity to speak tonight. We are local students and we are also part of the S.O.S. Outreach program.
- 3) *(Michael)* We believe that trash and littering are a huge problem in our world today. It is also a problem in our home in Tahoe, where we have a beautiful lake, a lot of wildlife, big forests, and beautiful communities to protect.
- 4) *(Julie)* Along Tahoe Boulevard between Village Boulevard and Southwood Boulevard, we have noticed that there is a lot of litter on the ground. Many people, including middle school students, walk this route to stores like Starbucks, 7-11, and Raley's to buy snacks. We are worried that there aren't enough places to throw away the trash along this route.
- 5) *(Michael)* Without a trash can close by, people are often not willing to carry their trash with them for long distances to properly dispose of it. They choose to litter instead. Having a trash can located close to where people purchase snacks and food would make it easier for people to throw away or recycle their trash.
- 6) *(Emma)* Did you know that in all Disney theme parks, there is a trash can every thirty feet? Walt Disney himself did an experiment to see how far a park visitor would walk with trash in their hand before just letting it drop to the ground. He watched visitors and concluded that, on average, the magic distance is 30 feet.
- 7) *(Michael)* We would respectfully like to propose that IVGID consider installing a new trash can along the path that goes along Tahoe Boulevard, between Village Boulevard to Southwood Boulevard on the south side of the road. We believe that a great location for a trash can would be at the corner of Village Boulevard and Tahoe Boulevard, which is close to 30 feet from 7-11 and Starbucks. We also believe that a trash can near the cross walk which crosses the street to Raley's could be a good location as well.
- 8) *(Julie)* We did some research and we think that the Tahoe Bear Box Company's CE Economy Series 80-gallon model, which has space for trash and recycling, is a good model. We believe that this will really help reduce the amount of litter here. We also believe that Tahoe would be a better place if we had more ways to properly throw away trash.
- 9) *(Leo)* We want to keep the lake as trash-free and as clean to protect our fish and water quality.
- 10) *(Emma)* We want to have healthier and stronger wildlife populations.
- 11) *(Michael)* We want bears to hibernate on time, instead of staying awake longer into winter because they are eating human food in the trash.
- 12) *(Julie)* We want to prevent the buildup of microplastics in our environment, which is a dangerous consequence of littering.
- 13) *(Leo)* We want to protect our forests and plants.
- 14) *(Michael)* We want to make our community beautiful.
- 15) *(Everyone)* THANK YOU FOR YOUR TIME AND CONSIDERATION!

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS MARCH 11, 2020 REGULAR IVGID BOARD MEETING – AGENDA ITEM G(6)(e) – BECAUSE LOCAL PARCEL/DWELLING UNIT OWNERS SHOULD NOT BE SUBSIDIZING THE COSTS OF ACCESS TO OUR FACILITIES, A MINIMUM OF \$41,015 OF THEIR PROPOSED EXPENSES SHOULD NOT BE BUDGETED

Introduction: Here staff seek Board approval of a proposed operating budget for the Facilities¹. For those not familiar with accounting jargon insofar as this proposed budget is concerned, the word “Sources” refers to revenues, and the word “Uses” refers to expenses. Therefore Exhibit “A” consists of nothing more than a proposed income and expense statement for the Championship Golf Course. For purposes of this written statement I have placed an asterisk next to the \$32,812 RFF entry on Exhibit “A.” And that’s the purpose of this written statement.

Do You Understand What This \$32,812 “Facility Fee” Entry Represents? For those who don’t, this is the amount staff propose local parcel/residential dwelling unit owners involuntarily *subsidize* Mountain Golf’s proposed overspending.

Given the Championship Golf Course is a Facility Available for the Public’s Use, Please Understand it Exists Just as Much For the Benefit of the World’s Tourists as the Few Local Parcel/Residential Dwelling Unit Owners Who Choose to Actually Use it: Notwithstanding, *only* the local parcel/residential dwelling unit owners who pay the RFF are asked to subsidize the Championship Golf Course’s negative cash flow.

Please Understand That the Numbers I Will Share Are Staff’s Numbers: even though I and others I know are of the opinion staff’s financial reporting is deceitfully presented to put the happiest face forward possible on another money losing commercial business. As an example, since Exhibit “A” represents operational cash flow, one cannot see the massive additional negative cash flow caused by capital expenditures. Thus the financial picture presented is intentionally distorted.

Let me provide an example of this distortion. Look at the estimated \$5,071,084 of proposed “charges for services” revenue compared to fiscal year 2019-20’s budgeted \$4,516,321. This nearly 12.3% increase in estimated revenues is extremely optimistic as is staff’s estimated 10% increase in Evets/Banquet sales, and 12.6% increase in merchandise sales²). And if too optimistic, it means staff’s proposed \$32,812 of estimated *negative* cash flow is understated. Yet the Board and the public are being misled into believing a rosier picture than what I and others believe will be reality.

¹ A copy of that budget appears at page 112 of the packet of materials prepared by staff in anticipation of this March 11, 2020 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_3-11-20.pdf (“the 3/11/2020 Board packet”)]. This page is attached as Exhibit “A” to this written statement.

² See page 91 of the 3/11/2020 Board packet.

Please Understand That These Numbers Do NOT Include Capital Expenditures: Given staff have budgeted for \$4,159,900 of *additional* Community Services³ Capital Expenditures⁴ without any breakdown as to how much is assigned to Championship Golf, the Board and the public have no idea how much *more* in *negative* cash flow is properly assignable to Championship Golf's functions. Thus like I said, Championship Golf's financial picture is distorted.

They're distorted for another reason. Look again at staff's estimated \$5,071,084 of "charges for services" 2020-21 revenue. Not all of this \$5,071,084 represents *cash* revenue. When a punch card holder uses his/her card to buy down the cost of a round of golf to the resident rate, staff do not declare the net cash revenue actually received under "charges for services." Instead they include the full retail rate with no discount, and then report the amount of the buy down as a negative "charges for services" number⁴ in the Community Services Recreation Administration sub-fund⁵. However if you didn't know this, you would presume that the total "charges for services" reported in the Championship Golf income and expense statement⁴ represented cash revenues actually received.

Nonetheless, Staff Admit They Are Proposing to Overspend \$32,812 at the Championship Golf Course, and They Propose This Overspending Be Subsidized By the RFF⁴:

Please Understand That at the Board's June 19, 2019 Meeting, Stephen Bohnet of Finn Consulting Presented Evidence That 59% of Local Parcel/Residential Dwelling Unit Owners Assessed the RFF NEVER USE THE CHAMPIONSHIP GOLF COURSE⁶: And if we add those who only used it once or twice in the last year, this number balloons to a whopping 70%! Subsidizing the Championship Golf Course's *negative* cash flow violates the "pay for what you use" principle.

And Not That it Makes a Difference (Because Budgeting to Overspend is Wrong Regardless), But We Have No Idea of What Percentage of the Championship Golf Course's Use is Not Actually Being Used by Local Property Owners: The Championship Golf Course is available to members of the general public, whether or not local parcel/residential dwelling unit owners paying the RFF. Thus access to and use is promoted by staff to visitors/tourists when in contrast, NRS 318.015 instructs that the District's recreational facilities and the services they offer should primarily exist for the benefit of "the inhabitants...of (Incline Village, Crystal Bay) and of the State of Nevada."

Staff Tell the Board and the Public That the Reason Access to and Use of Our Recreational Facilities Are Made Available to the General Public is so That Revenues Realized From the General

³ Championship Golf is a sub-fund of the District's Community Service Fund.

⁴ See page 92 of the 3/11/2020 Board packet.

⁵ See page 143 of the 3/11/2020 Board packet.

⁶ See page 24 of the packet of materials prepared by staff in anticipation of the Board's June 19, 2019 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_6-19-19.pdf ("the 6/19/2019 Board packet")].

Public Will Reduce the Costs Local Parcel Owners Are Required to Pay: But we have seen that this is a false narrative⁷, and staff know it to be false.

In 2002 as Well as 2013 the Board Instructed Staff to Budget Championship Golf Operations on a Financially Breakeven Basis: So what happened? On December 11, 2002 the Board adopted Resolution 1736⁸ which adopted Financial Standards for the District's various recreational facilities including the Championship Golf Course. As the Board and the public can see from ¶VII(A) of Resolution 1736, that Board declared that the services provided by both Championship and Mountain Golf be "provide(d) on a breakeven basis." Although for political reasons Resolution 1736 was rescinded nearly six (6) years after its adoption (March 26, 2008), and replaced with a watered down version of Policy 2.1.0, the subject was again discussed by the Board at its October 1, 2013 meeting. Thereat Board members were asked whether each of the District's recreational facilities and the programs offered thereat "should generate a profit, break even, or simply provide value?" Four (4) of the five (5) trustees declared that the Championship Golf Course should operate on a breakeven basis, and the fifth (former Trustee Wolfe) declared it should generate a profit⁹. ***So why is it acceptable to continue to budget for operational losses?*** Isn't it time for this Board to take charge of the District's finances rather than passing off this duty to staff who have consistently demonstrated they are not capable of managing the District's recreational venues on a financial break even or positive cash flow basis?

Conclusion: In addition to massive capital costs, Staff propose assessing local parcel/residential dwelling unit owners at least \$32,812 in operational overspending to subsidize the Championship Golf Course. Public Works Director Joseph Pomroy often speaks about fairness and equity insofar as our utility rates are concerned. To make his argument, he uses the example "pay for what you use." In other words, don't make the majority of rate payers pay for the excess services exacted by a few. Well why should it be any different insofar as the fees charged at any of the District's recreation venues (here Championship Golf) are concerned¹⁰? Shouldn't access and use be paid by those few who

⁷ One need merely look at staff's proposed Diamond Peak income and expense statement (see page 102 of the 3/11/2020 Board packet). Instead of reducing the RFF by the \$1,640,600 of alleged savings, that money is proposed to be used to subsidize overspending at the District's *other* recreational facilities.

⁸ Resolution 1736 is attached as Exhibit "B" to the written statement contemporaneously submitted at this meeting insofar as the proposed budget for the Tennis Center is concerned.

⁹ A spreadsheet depicting trustees' views on this subject was attached to the minutes of the Board's October 1, 2013 meeting [see page 126 of the materials prepared by staff in anticipation of the Board's October 30, 2013 meeting ("the 10/30/2013 Board packet")]. A copy of that spreadsheet is attached as Exhibit "C" to the written statement contemporaneously submitted at this meeting insofar as the proposed budget for the Tennis Center is concerned.

¹⁰ Some years ago the Board commissioned a "parcel utilization" survey. What the Board and the public discovered is that system wide, less than 15% on average of the parcels/residential dwelling

actually use this facility and the services it offers rather than the majority of local parcel/residential dwelling unit owners who do not?

Therefore I request that this \$32,812 *not* be budgeted, and all Championship Golf programs/ services be eliminated unless they are financially break even or positive cash flow. Direct our staff to figure out how to increase revenues/reduce costs to eliminate *all* negative cash flow. And if they are not capable, maybe it's time to find another operator or dispose of this asset.

And to those asking why your RFF/Beach Facility Fee ("BFF") are as high as they are, and never seem to be reduced, now you have another example of the reasons why.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

units assessed the RFF had an owner/occupant who used any of the District's recreational facilities just once in the preceding year (note how much larger this *actual* utilization was compared to consultant Finn's survey of but a percentage of parcel/residential dwelling unit owners⁷). This means that the overwhelming majority of parcel/residential dwelling unit owners paying the RFF/their occupants *never* use a given recreational facility.

EXHIBIT "A"

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
FACILITIES
PROPOSED OPERATING SOURCES AND USES
FOR THE FISCAL YEAR ENDING JUNE 30, 2021

	Actual FYE - 18	Actual FYE - 19	Estimated Actual FYE- 20	Approved Budget FYE - 20	Proposed Budget FYE - 21
Sources:					
Ad Valorem Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -
Consolidated Taxes	-	-	-	-	-
Charges for Services	355,696	392,246	450,000	420,793	529,421
Facility Fee	147,319	308,463	131,248	131,248	41,015
Investment income	-	-	-	-	-
Miscellaneous Revenues	1,150	-	-	-	-
Intergovernmental	-	-	-	-	-
Interfund	-	-	-	-	-
Central Services	-	-	-	-	-
Total Sources	504,165	700,709	581,248	552,041	570,436
Uses:					
Salaries & Wages	80,096	76,190	85,000	89,488	88,583
Employee Benefits	38,460	37,739	41,000	47,157	47,500
Total Personnel	118,556	113,929	126,000	136,645	136,083
Professional Services	1,080	1,110	1,100	1,140	1,170
Services & Supplies	262,168	294,989	338,000	337,960	352,898
Insurance	10,341	14,573	12,240	12,240	11,820
Utilities	34,850	34,925	36,000	35,550	36,600
Cost of Goods Sold	-	-	-	-	-
Central Services	21,800	23,000	25,500	25,500	27,420
Defensible Space	-	-	-	-	-
Total Services & Supplies	330,239	368,597	412,840	412,390	429,908
Total Uses	448,795	482,526	538,840	549,035	565,991
Net Sources (Uses)	\$ 55,370	\$ 218,183	\$ 42,408	\$ 3,006	\$ 4,445

MINUTES

REGULAR MEETING OF APRIL 1, 2020 Incline Village General Improvement District

The regular meeting of the Board of Trustees of the Incline Village General Improvement District was called to order by Chairman Tim Callicrate on Wednesday, April 1, 2020 at 5:00 p.m. at the Chateau located at 955 Fairway Boulevard, Incline Village, Nevada.

Chairman Callicrate thanked the people who were watching on Livestream and then listed the people who were present in the room and noted that two Trustees were on the telephone.

A. PLEDGE OF ALLEGIANCE*

The pledge of allegiance was recited.

B. ROLL CALL OF THE IVGID BOARD OF TRUSTEES*

On roll call, present were Trustees Peter Morris, Tim Callicrate, Sara Schmitz, Matthew Dent (on the telephone), and Kendra Wong (on the telephone).

Also present were District Staff Members Director of Finance Paul Navazio and Director of Public Works Joe Pomroy.

No members of the public were present in accordance with State of Nevada, Executive Directive 006.

(7 individuals in attendance at the start of the meeting which includes Trustees and Staff.)

Chairman Callicrate made several announcements regarding what this meeting is, protocol, etc.

C. PUBLIC COMMENTS

District Clerk Susan Herron announced that we received written public comments from Tracy Babayco, Patrick McBurnett, Chuck Weinberger, Mark Tanner, Aaron Katz (x 2), Gavin Feiger, and Judith Miller and that all would be attached to the minutes of this meeting.

Cliff Dobler read from a written statement which is attached hereto.

Interim District General Manager Indra Winqest made an announcement about the caller ID code.

Linda Newman read from a written statement which is attached hereto.

Judith Miller made a request - if we continue to have virtual meetings, when members of the public submit public comments, that they are read aloud at the meeting, as their purpose is to inform the Board so other members can hear those comments. Ms. Miller then read from her submitted written statement which is attached hereto.

Margaret Martini read from a written statement which is attached hereto.

Aaron Katz said he has an additional written statement that he is going to drop off at the IVGID offices. When you are a business you propagate like a business, IVGID is a government. He would like to concentrate on one item and that is the \$405,000 that the District pays in credit card fees. Our Recreation Fee pays for those charges and if he wants to pay his utility bills via a credit card, the utility charges a convenience fee. Therefore, we have an unnecessary expense that is contribution to the loss so stop the loss. Another one is the \$360,000 for the Diamond Peak shuttle buses. They are not here for local residents so this is another expense we unnecessarily incur. Mr. Katz continued that he would submit that we lose money on every venue so why isn't Staff coming forward with cost savings. His written statement shows easy, easy eliminations of costs and he would urge the Board to incorporate his recommendations and not to accept everything your Staff gives you.

Yolanda Knaack said that she too is concerned about the 2020/21 budget and that she is aware that it is due on April 15 and that the District should cut the budget down to its bare minimum and while she is thinking positive, you have to be prepared for the worst.

Frank Wright said he is a candidate for the Board of Trustees. Our facilities are being overrun and it's not by residents but by guests of residents which aren't really bringing people. Punch cards are distributed like candy and while our financials are reflecting that we are making money, that is money that is charged which is purchased by the Recreation Fee. We have a lot of these punch cards whose value is \$166 and when it is given to somebody, it is used for a reduced rate or for entrance. It is then charged back as a profit, it is not a profit, residents pay for it. Residents pay for it, residents are doing this and we are all paying for the visitors

of the world to use our facilities. He witnessed two chartered buses coming in from Reno and they went to Burnt Cedar and there were one hundred people there without a resident being there. This is just something that is unbelievable. Why does IVGID have a marketing budget? Why does IVGID spend money on advertising? Shut down the Marketing Department as we don't want people so let's shut it down and save the money. These are our facilities and they should be for the people who live here and then who we need or want here, we can overcharge them. These facilities are for the people who live here and it is our job living here and functioning here – it is for the people who live here first and it is not to be overrun by the people living outside and chasing the people out of here.

D. APPROVAL OF AGENDA (for possible action)

Chairman Callicrate asked for changes to the agenda; none were requested. Chairman Callicrate said that the agenda is approved as submitted.

E. DISTRICT STAFF UPDATE (for discussion only)

E.1. Interim District General Manager Indra Winquest

Interim District General Manager Indra Winquest said that the District has made a request for an extension of the filing of the tentative budget and we were told no by the representatives from the Nevada State Department of Taxation because it is just a preliminary filing and to not get overly fixated on that as we are hoping they do grant extensions but right now, we are not being told anything.

On the effluent pipeline, he would refer back to the Livestream and minutes – two Board members are to provide information to our Staff and then it will be fully vetted and come back to the full Board. Information has been given, there are questions, and Staff is working through that and following the directions he was given.

Staff is in the process of looking at several different financial projections as we don't know what is going to happen but Staff has worked very closely with the Board and making sure they are up to speed and getting information. Staff is working through this the best we can. There has been a huge impact to our hourly and seasonal employees. Additionally, we have essential Staff that are working from home. Our utilities employees, that are tasked with keeping the utilities working, are continuing with the business of the District and doing to it appropriately. There are many more difficult

decisions to come – everyone is working on scenarios on not opening venues, etc. and we will be as fiscally responsible as we can. Just don't know much right now but we will know more in the next few weeks. Have received about 98% positivity from folks and we understand the negativity. We have tried to follow up and we are trying to communicate as much as we can while understanding that we can't please everyone but Staff has made the best educated decisions we can.

Chairman Callicrate thanked our Interim District General Manager as this is the most difficult situation which is unprecedented for all of us in this community. There are a number of challenges and there have been three COVID-19 cases confirmed at St. Francis and they are all sequestered. Chairman Callicrate then thanked the Interim District General Manager and his team and everyone who is working as a skeleton Staff as they don't get any time off. It is an unprecedented time of closing our beaches and facilities and our Staff has risen to the occasion. As a reminder, as we get into this budget, this is all preliminary and that it will change and go through many iterations. Our new Director of Finance came in at the middle of everything and he has done a great job and this Board will see an update on April 14. We are in a state of flux and there are decisions that have been made by this team and we are very fortunate to have an individual, our Interim District General Manager, who has been working here so long so thank you for that. Chairman Callicrate then thanked his colleagues for fielding all of the e-mails and text message and stated that he appreciates the teamwork and comradery and that we are not out of it yet and that we are just getting into the worst of it so he appreciates working closely as a team.

Trustee Morris said that he would underscore all that Chairman Callicrate has said and to the team, the communication has been wonderful. On agenda packet page 7, and he is just confirming, that this will come back to the full Board before it is put out. Interim District General Manager Winqest said that two Trustees are providing feedback to our Engineering Team who is creating a scope of services and then there will be a follow up meeting to review that scope of services to be sure that everyone is comfortable with what he is bringing back to the full Board.

Trustee Morris said, referencing agenda packet page 12, and he is talking about all three items, that we have talked about the bids being received so do we, as a Board, have to make a decision on these projects. Interim District General Manager Winqest said that these items are capital projects that are approved in the current year and that he hasn't followed up with the

Engineering Team but he thinks that one bid came in under budget so he will be working with the Engineering Team on how we are going to proceed and that he can follow up with Trustee Morris. Trustee Morris said he understands about normal business going by the wayside.

Trustee Dent said he has no comments or questions on the Interim District General Manager's report.

Trustee Wong said she has no comments or questions on the Interim District General Manager's report.

Trustee Schmitz said she has a comment and a request. The Effluent Pipeline project is the most critical project as our infrastructure is failing. We can't have a catastrophic failure and there is not a target date for completion. She would like to have a date on that so we can hold ourselves accountable because our construction season is short and this is a mission critical project. There are projects that have been approved and haven't been started and given what is currently going on, we have to sit down and think about what projects are a must have and what we can hold on as this is going to have a severe financial impact on the District and we should not get blindsided. It has been helpful to be on the press releases so thank you. It would be good for us to know how many of our employees are basically on furlough, how many are still full time, and how many did we have to part with given the situation. Interim District General Manager said he will get with Engineering and the two Trustees on this item. A few of these projects are crucial and one thing we want to do is to create a glide path, and she isn't pushing something, but it will be very challenging to Staff and while we will be able to handle that challenge, we are furloughing Staff and we are only two weeks into that and many of the full time Staff are working so we are trying to keep people working within reason. IVGID is not paying people to stay home as are some other agencies and we are taking this very seriously and she is not being cavalier but it is a stressful time that we are working through.

Chairman Callicrate said thank you to the Interim District General Manager, his team and to all of the District employees as he really appreciates the hard work and dedication as well as he appreciates the community being patient. Patience is going to get run ragged and we are taking in your concerns. We are buckling down and going down to bare bones is a great opportunity of what it would be like to operate at bare bones at all of our

venues within our community and noted that it will look quite a bit different but that it will be a lesson learned and some will be done the hard way.

F. REPORTS TO THE IVGID BOARD OF TRUSTEES (for discussion only)

F.1. Audit Committee Chairman Matthew Dent

Trustee Dent said the Audit Committee had one item on the agenda – Audit Committee Charter – it was approved, is on the agenda, and it has been through the Audit Committee three times so now it is up to the Board of Trustees to change, approve, etc.

G. CONSENT CALENDAR (for possible action)

Excerpt from Policy 3.1.0, Conduct Meetings of the Board of Trustees

0.15 **Consent Calendar.** In cooperation with the Chair, the General Manager may schedule matters for consideration on a Consent Calendar. The Consent Calendar may not include changes to user rates or taxes, adoption or amendment of ordinances, or any other action which is subject to a public hearing. Each consent item shall be separately listed on the agenda, under the heading of "Consent Calendar." A memorandum will be included in the packet materials for each Consent Calendar item. The memorandum should include the justification as a consent item in the Background Section. Any member of the Board may request the removal of a particular item from the consent calendar and that the matter shall be removed and addressed in the general business section of the meeting.

G.1. Review, discuss, and possibly approve the designation of Audit Firm for Audit Services for Fiscal Year Ending June 30, 2020 – Eide Bailly, LLP at a cost of \$58,500 (the last year of a five-year contractual obligation) (Requesting Trustee: Audit Committee Chairman Matthew Dent)

Trustee Wong made a motion to approve the Consent Calendar; Trustee Schmitz seconded the motion. Chairman Callicrate called the question and the motion was passed unanimously.

H. GENERAL BUSINESS (for possible action)

H.1. Review, discuss and possibly adopt the Audit Committee Charter that will supersede Policy 15.1.0 effective immediately (Requesting Trustee: Audit Committee Chairman Matthew Dent)

Trustee Dent said he has no further input as Trustee Schmitz lead this charge.

Trustee Schmitz said that she wanted to share on the things that we had brought forth, in the past, and that was that there has always been three members of the Board which makes it a quorum so it is better to have only two Trustees on the Audit Committee so that the Board of Trustees is the deciding board. Therefore, so as to not have a quorum, the suggestion is to have two Trustees on the Audit Committee.

Trustee Morris asked a question about the agenda item which was answered by Chairman Callicrate. Trustee Morris then said that he is concerned about rushing through this as it is important to have a process to review and understand all of this. He is in favor of the update but that dropping it in from Washoe County has the law of unintended consequences. There is a lot to be discussed about this charter. He is particularly concerned about two things – the Audit Committee voted to accept the charter as it was written but as a committee you discussed an action to find out something and that was the two members so it would be dangerous to adopt a charter than is not fully formed without a decent public airing. The other thing was, referencing agenda packet page 19, is that there is no financial cost. He sees a lot of potential costs as we don't have an independent internal auditor at this moment so that would be a financial impact that hasn't yet been analyzed and is not in our budget at the moment so we need to understand those implications. On agenda packet page 20, in the second to last paragraph, who defines their roles, annual review, discipline, etc. He is worried about this undefined component so we have to figure out reporting responsibilities thus we can't do this as written. On agenda packet page 21, we have already talked about changing from three Board members to two Board members so he guesses we have had that discussion. In the middle of the page, two other voting members will be appointed; he feels those two conflict as the Chairman is designating them and not the full Board so that is not fully fleshed out. There is duplication on agenda packet page 22 with the Chair may attend meeting and it doesn't fit in on two places. Moving on to item 26 and anonymous submissions by the public – we definitely have a whistleblower ability for our Staff and he doesn't think it would be good to have a whistleblower for the public as there is a potential to end up with hundreds of allegations and then they would have to be investigated and that would allow the few detractors to cause unlimited mayhem. Definitely have a whistleblower for the Staff but for the public, it could lead to vexatious litigation as a possibility. On agenda packet page 25, item 13, hire outside consultants – this is an absolute no as it is the Board, as a whole, who determines as the Audit Committee doesn't have a budget and that this would be taking away from the full Board and having a shadow

Board. Item 18 should not be in the Audit Committee Charter rather that is for the full Board and he is fine with it being at the full Board level but it is not in the Audit Committee's scope. These are his main things and do we have any issue with this becoming a charter and not a policy or is the intention to do away with the present policy. At the end of the Audit Committee section, there is potential notice to invite candidates to apply for the at-large positions. He is concerned that we don't seem to have any prerequisite for the requirements and that there is a question mark about living in the District. It is his opinion that these members should live full time within the District and there should be exclusions for people who work for the District and people who have demonstrated that they have an ax to grind as he wants people who are truly independent minded rather than those that belong to various committees, etc. like Community First forum who have been anti-District. Those people aren't good to have on the Audit Committee so let's define the characteristics as we don't want to have a selection process that they apply and then we have the challenge we had when former Trustee Horan left the Board and it got us into a confusing situation so let's define that before we move forward. It is also really important that we put in an attendance requirement such as x percent of attendance because we don't want a seasonal resident who has a home here in Incline but lives half a year elsewhere. The recommended motion is whether we accept it or not and right now it is not ready for prime time.

Chairman Callicrate said that he appreciated all the comments made by Trustee Morris.

Trustee Wong said that this is not unheard of however it is a bit of overkill for our operation and the size of the operation. It is a fine place to start but we need to recognize that it is a much smaller operation and we need to tailor it down to what is going to work for us. There are going to be costs for an internal auditor and she is not sure an internal auditor is going to get us the best return for where we are spending our money. Trustee Wong continued that she is fine with two Trustees but asked that the two year term be rethought because of the Board's election term; logically think that through. In terms of other members of the committee, referencing agenda packet page 21, the paragraph about being a financial expert, there is information we can take from the SEC and it also needs to be someone who has expertise in governmental fund accounting which is very different from non-profit fund accounting. Also, active certified public accountants preferably in Nevada. Trustee Wong closed by saying her main comments

are to take a step back and figure out what is appropriate for our size and organization.

Trustee Dent said on the internal auditor, we may be able to get past that one by going to Internal Auditor/Treasurer as he knows that Trustee Schmitz is doing a lot of internal auditing and that he likes the idea of reviewing/approving the attorney invoices as it could be months before we are getting invoices and no one is following up so someone needs to take ownership and that he like having that line in there so as to be up to date. Trustee Dent continued that he likes the idea of changing to two Trustees as there has always been three Trustees so that is a huge step in a different direction. He also likes the idea of involving the community and he has no concern if they only call in for most of the meetings as he is okay with not being physically present because at our next Board meeting, none of us Board members are going to be present. They will add value and he thinks we should welcome that in whatever form and whether they are here for half a year or not.

Trustee Wong said regarding the internal auditor that there are professional standards and professional certifications and that she isn't sure that anybody on our Board is qualified to be an internal auditor. Trustee Morris said he agrees. Chairman Callicrate said he agrees and that he didn't think that what Trustee Dent was saying is that she is qualified. They should be qualified with professional licenses, firm, etc. and work with our Director of Finance who may be qualified. We have talked about this position for quite some time within the District and there was no intent that Trustee Schmitz was acting as an internal auditor rather she is doing her own research on things that she is interested in which he doesn't find enjoyable.

Trustee Schmitz said that she has solicited from our Internal District General Manager and our Director of Finance has been very thoughtful as to this document which has been brought before the Board of Trustees multiple times. Input has been taken and incorporated and that the intent was that it was not to be standalone rather it would be the new Policy 15.1.0 and that it would be superseded with this document. As to the application process, we are here to discuss and approve the charter which has nothing to do with the application process as that would be the next step. As to the review of the legal invoices, that is in support of Resolution 1480. The Board is the only organization to approve funding and at the last meeting we, the Audit Committee, brought a request for funds, which is line item 13, and we are taking the action that has already been given to it by the Board. For investigations, not all submissions would be investigated rather it would be

determined if an investigation needs to be done and that the charter allows things to be brought forward by the public which she has investigated as well as the complaints that have been brought into the Audit Committee. It is very transparent as she has created a spreadsheet and she follows up by working with Staff to answer questions and it is helping; helping the organization as a whole. We are not here tonight to approve the application rather the first step is to approve the charter and the charter clearly states the odd number and that our recommendation is just two Trustees and there is nothing about two years for at large members and that the two years doesn't apply to the appointed Trustees.

Trustee Wong asked about page 21; Trustee Schmitz said she understands fully the point.

Trustee Wong then said that this is the first time that the charter has come to the full Board and that it has not been on another agenda; Trustee Morris agreed.

Trustee Schmitz asked if she could finish with the clarification on non-voting members; people who might want to invite such as the Director of Finance or the Interim District General Manager would be non-voting members and that they might request the Director of Public Works or someone else appropriate to address a particular issue. Trustee Morris said so what he is hearing is that according to this charter, the Audit Committee get a member of Staff as a non-voting member to attend and give information as requested and that the Director of Public Works would be a member for that meeting. Trustee Schmitz said that she understands what Trustee Morris is saying.

Trustee Dent said he had nothing to add.

Trustee Wong said that revisions need to be made before we approve it, Chairman Callicrate agreed as both Trustees Morris and Wong have raised a lot of questions that need to be addressed.

Trustee Morris said that he got a sense that there was common agreement that we should have an internal auditor but that he doesn't think we should have an internal auditor. Regarding Trustee Schmitz's commentary, he was very concerned to hear that the application process is not relative to this motion; the Board should really understand everything before it votes. On agenda packet page 21, it says that the committee shall consist of five voting members and the committee set a tentative date for the next Audit

Committee meeting so you have to recruit at least two more members to the committee before that meeting as well as release one Trustee that is currently on the Audit Committee so there has to be an appointment of three members and he doesn't know we are going to go about that process. It is an unworkable plan that hasn't been discussed enough. He fundamentally disagrees about outside consultants and Trustee Schmitz said that it means something else so are you hiring or contracting or going to go get somebody; he thinks it is ambiguous and problematic and he can't go forward with that. About the legal invoices, he has no problem with the approval by the Board of Trustees but that is not an Audit Committee charter item as those two people might not be on the Audit Committee. Also if Trustee Schmitz has been responding to complaints of the public, he hasn't seen any of those and if Board members are doing something on their own such as responding to the community regarding their concerns, then he definitely wants to see all that correspondence, etc.

Chairman Callicrate said that we have all been discussing General Business Item H.1. and then re-read the agenda item. We have had a very spirited discussion with items raised, reviewed and discussed; he would entertain a motion and asked District General Counsel Velto about voting; District General Counsel Velto said he would recommend a roll call vote. Chairman Callicrate asked for a motion. Trustee Morris said before we go to a motion, he is concerned that the comments of Trustee Wong and himself have fallen on deaf ears because three of the Board have already accepted this charter therefore he worries that it is a forgone conclusion as there is no interest in coming back on this item. Chairman Callicrate said it is correct that the Audit Committee did vote on it and to move it forward and that your concerns are going to be looked into as nothing is carte blanche; your concerns will be address. Trustee Wong said that she would like to suggest that if you have concerns, that all of us should go through the charter and send our comments to the Audit Committee so that this can go down another path and address everyone's comments and have the Audit Committee evaluate it before the charter is adopted. Trustee Dent said if changes are to be made then that should happen at the Board level as the Audit Committee has already decided they are ok with it as written therefore it should come back to the Board. Trustee Wong said she is okay with that too.

Chairman Callicrate said that the Director of Finance would like to make a comment.

Director of Finance Paul Navazio said that it sounds like it needs rework and that he just wants to make sure that wherever we land the effective date ensures that you have a quorum at an upcoming meeting and that Staff knows what members of its committee constitutes that meeting on whatever committee is constituted.

Trustee Schmitz said here is the transition plan as this is not an immediate situation and going through that process will take time so a little bit of a road map to transition would be helpful. Trustee Morris said that a road map transition would be a great idea and asked if that comes after accepting the charter or after the charter comes back or are we still taking it as written, despite all the comments, and say that is it. Trustee Schmitz said that all Board members needs to be comfortable with this document as it is a substantial change to existing policy so it is important that we all understand it and agree on it as it will be a significant change. She fully supports additional input and feedback and having a game plan as this was an important first step. Chairman Callicrate said that he does appreciate all the comments that have been brought up and that the Audit Committee did accept this charter and now with a full Board discussion, we know we need to take into account all five Board members comments and bring this back to the full Board for adoption. Trustee Schmitz said that she is comfortable in giving each of the Trustees the Word document so they can highlight or redline and then she will do her best to consolidate all comments and get back with questions. She will e-mail it out and asked that it get back to her in a timely manner. Trustee Dent said that he is fine with the Treasurer of the Board taking the lead. Trustee Schmitz said that she will e-mail the document to all the Board members and that she is open to those that want to get on the telephone and discuss it with her as well. She requested that it be turned around by Monday morning. Interim District General Manager Winquest said Staff needs it Monday morning in order to assemble the Board packet. Chairman Callicrate said that this matter has been brought to the Board, it is a work in progress, and we were able to have a spirited discussion; there is no motion. Trustee Wong requested that we make sure it is a redline version that goes into the upcoming Board packet.

At 6:39 p.m., Chairman Callicrate called for a five minute break; the Board reconvened at 6:45 p.m.

H.2. Review, discuss and possibly approve Resolution Number 1876, Policy and Procedure Resolution Number 139, No Smoking, except in designated areas, at District Recreational Facilities

**(Requesting Staff Member: Interim District General Manager
Indra Winquest)**

Interim District General Manager Winquest gave an overview of the submitted materials and recognized the late, great Tom Cardinale who, along with his widow Lynette, were great supporters of this matter as it was a huge issue for them.

Chairman Callicrate said that he appreciates this item as it is a long time coming and he too thanks Tom and Lynette for spearheading this item. Those individuals who choose to smoke, we will identify smoking areas that are safe and comfortable along with making refuse containers available as we are in a high fire zone. While this document implies that it includes marijuana he would prefer it be more explicit. We all know that federally is not allowed and regardless of what Nevada allows, marijuana, vaping and tobacco is not allowed at our facilities and excluding the use of marijuana at any of our facilities he thinks is critical. There will be that small percentage of folks who will say something about this so possibly added that as an addendum.

Interim District General Manager Winquest said that area has come up by more than one Trustee and we can improve the policy with required revisions. He has had a few members of the community expressing frustration over the no vaping policy. There has been a massive vaping illness which has impact within the high schools and so the last thing we want to do is to be encouraging of that activity. The smoke isn't an issue from vaping rather it is the vaping itself that is a dangerous and harmful activity.

Trustee Morris said he will support this item and that he had the same question about marijuana and felt that the inclusion in Section 3 does underscore that and that he is very fortunate to not be a smoker. On agenda packet page 32, it outlines the facilities. He is hopeful that we are not hamstringing ourselves for future areas and he would be thinking about the dog park as he would want no smoking there and whilst we don't call it out specifically perhaps we should say something about IVGID property anywhere.

Interim District General Manager Winquest said we can handle this a couple of different ways – with new facilities we can bring this policy back when that happens and then we can include other IVGID open spaces. On the

marijuana use, the District will fall back on federal edicts and that the takeaway for him is to see if we can incorporate no marijuana use in another additional section other than Section 3. Trustee Morris said a member of the community did bring up an item about Diamond Peak and should we account for that and have no smoking at Diamond Peak. Interim District General Manager Winqest said yes and enforcement was the problem without a formal policy and again, enforcement will be an issue and we will be posting signage but we will take it to the next level and people will know this is the policy.

Trustee Schmitz said what about the bocce courts going in next to the Recreation Center and it also doesn't reference the Recreation Center in any way. Interim District General Manager Winqest said that if the bocce courts get built, we can bring this policy back as that project isn't started. As for covering the Recreation Center, including the term IVGID property should cover it. Trustee Schmitz asked about the parking lot at the Recreation Center. Chairman Callicrate said that they are all a part of our facilities and that any miniscule changes can be addressed and that the Board can still adopt this and then have it brought back for a perfunctory vote.

Trustee Wong suggested no person shall use marijuana or vape on any IVGID properties or potential properties; to avoid an administrative nightmare, let's just take care of it and be done. Trustee Schmitz said that she was curious as to why just outdoors and it says our recreational facilities. Trustee Wong suggested changing to District owned or operated properties. Trustee Morris said he likes that language. Interim District General Manager Winqest said that we don't allow smoking in any of our facilities including but not limited to our concessionaries.

Trustee Dent said he liked Trustee Wong's addition and that the Board was all on the same page so he had no further comments.

Trustee Morris made a motion to approve Resolution 1876 with discussed revisions that were made in this Board meeting. Trustee Wong seconded the motion. Chairman Callicrate asked for any further comments, hearing none, called the question and the motion was passed unanimously.

H.3. Review, discuss and possibly set direction for Capital Improvement Project Budget affecting fiscal year 2020-2021 and eventually the Five Year Capital Plan Summary to be adopted in

**July 2020 as part of the District's annual Indebtedness Report
(Requesting Staff Member: Director of Finance Paul Navazio)**

Director of Finance Navazio gave an overview of the submitted materials.

Chairman Callicrate said it is very critical that these numbers are tied out because it is one of those things that has been raised in our community because things didn't always jive; this is critically important. Director of Finance Navazio said you have to go year to year and that it has to sort of work in at least three dimensions. Chairman Callicrate said that will hopefully be well taken by those watching the Livestream. Director of Finance Navazio said we are off to a good start.

Director of Finance Navazio returned to his presentation.

Trustee Morris said, referencing the carry over appropriations, in Parks, on the pump track, can you go over the math as to why it goes to net zero. Director of Finance Navazio said that yes, that is correct because this work is on an annual basis.

Trustee Morris said so we have \$15.3 million in carryover, we are spending \$9.8 million so that totals roughly \$25 million and because \$6.2 million will be carried over, we will only be writing checks for \$18.9 million. Director of Finance Navazio said that is correct and that feedback is important from the Board on new money and then Staff providing an update in May. Trustee Morris said that he just wanted to check that he is doing the right thing with these charts.

Trustee Dent thanked the Director of Finance for the few telephone calls they have had and for taking the time to meet with each Trustee. On the pump track, let's remove the \$300,000 as there is no outside donor and he doesn't think we should be moving forward with this project. A request for that money for the pump track shouldn't be requested until a donor is found. Staying on agenda packet page 65, given that Staff has moved forward with no plans, let's pull the \$663,000 from that project and not spend funds on that project as the Board hasn't given any direction. Interim District General Manager Winquest said that he doesn't disagree on the pump track and that is accurate that there is no funder but we are working hard on that aspect but he is totally fine with that removal. The \$663,000 is for the entitlements with the United States Forest Service and the Tahoe Regional Planning Agency. Trustee Dent said it came to the Board in 2015, we approved

\$300,000 and now another \$400,000 has gotten stuffed into this project and it has sat idle. Let's pull those funds until it becomes a real thing or there is an understanding of where we are going after entitlements. Interim District General Manager Winquest said if that is the Board's desire, Staff can do that and that is a different direction. He can check with Staff on what that is going to cost and he will support it if that is the desire of the Board.

Trustee Morris said he does see the sense on the pump track and that he didn't want to hamstring ourselves if a donor came forward and he thinks that is the question. With regard to the entitlements, because we are at the mercy of the United States Forest Service, we don't know how long that will take. Once they conclude their part of it, we should be ready to act thus he is reluctant to take that out because we plan to do it as it comes and we can carry it over. It has been agreed to move forward when we can.

Chairman Callicrate said there might be some confusion with entitlements and construction so that might need to be addressed and not that we are confused but what do the entitlements mean; is it the EIS or what or is it setting in motion the coaster, etc.

Director of Public Works Pomroy said it would be good for Staff to bring to the Board a half page summary. Diamond Peak does need to have a master plan and it goes back to the mid-80's when it was filed and that part of the work is the biological surveys that could take up to two years. The majority of the work that is being done is so that a master plan can be filed with TRPA and the much larger issue is with the improvements at Diamond Peak which have all been taken out of the capital summary. The best thing would be to give the Board a half page summary.

Chairman Callicrate asked if we have what has been spent to date and what is projected; have we spent \$300,000 and is there potential to spend \$600,000? Yes, we need to have this summary and have a Board discussion so we can be ahead of it. He would like to manage the appropriate fund levels to get us to where we can modify the Diamond Peak Master Plan and then have money earmarked so we can move forward mid-2022. He would like to see the half page summary before it is completely removed even though he is leaning more towards taking it out, the Board does need to have it spelled out explicitly. This document is literally a draft of a draft and that there have been a number of concerns that have to be addressed but because of the compliance that we have to do, we know that changes will be made. There will be more iterations and changes coming forward and

that this document is not the definitive document. A number of discrepancies have been brought forth and that this is the final and the beginning. We are trying to make everything fit in to the COVID-19 nightmare we inherited; the concerns will be addressed.

Trustee Dent said regarding the project summary, can we find out who is putting these together because as an example he would like to know who thinks having the golf carts transitioning to electric carts is the way to go so it would be good for us to know who updated these summaries.

Chairman Callicrate said that he concurs with Trustee Dent and that he too would like to be as transparent as possible. Things have happened so let's make certain if something is stated like that, we are clear.

Interim District General Manager Winqest said Staff has discussed noting revisions per Board actions and that it does need to be understood because of significant Board change things have been given and taken back. He absolutely agrees and understands; this is something we have talked about with our capital team.

Trustee Dent said, referencing the definitions that start on agenda packet page 42, that at the January 22 meeting, we went through the definitions and that those definitions would be accompanying this report so that people know what the columns are. These are inaccurate at best and that what we did at the January 22 meeting should be included in the packet.

Director of Finance Navazio said that Staff has begun that process, that Trustee Dent pointed out, so people understand the why and how.

Trustee Dent said he would like to have a status report and accurate information so the pages' flow into the five year plan. Chairman Callicrate said he appreciates the follow up as he knows that Staff is working furiously to get that included and that we have all been talking about this for quite some time.

Trustee Wong thanked Staff for putting this together and said that she liked the carry forward report and understands where all the projects are coming from. Her main question is going back to where the funding is going to come from such as budgeted from current revenues. Knowing that the upcoming year probably won't be an ideal year, has Staff gone through the projects

and determined what projects are needed and what are those projects that we may want to get done but may have to be put off.

Director of Finance Navazio said that is in process and that Staff is at the beginning stages of that process. Many of the Senior Team are already looking at their areas and at the projects that are critical and what projects can be deferred. Staff hasn't put that together yet but we are working on it and we can't just look at 2020/21 as we have to see the impact of what we are experiencing and its impact in year two or three as there is going to be a domino effect in the entire capital budget.

Trustee Wong said that she did have an extensive conversation with our Director of Finance. Chairman Callicrate said he did as well and that it was the first time he has felt really comfortable as he explained everything in layman's terms. Trustee Schmitz said that prioritization is going to be a really important piece and to do three – one, two and three.

Director of Finance Navazio said that he wanted to point out the pending utility rate increases and while Staff understands that the Board has some discretionary decisions, it is really important to understand what assumptions are built in.

Chairman Callicrate said we are going into uncharted territory that we are all aware of and that prioritization is going to be critical. Staff is going through the budgets and looking at the level of service and then asking how are we going to pay for all of this. We haven't done a lot of stuff that we have talked about so now how do we keep those projects and that he is trying to give you a sense of what we want to see.

Director of Finance Navazio continued his presentation.

Trustee Morris thanked Staff for the explanation and if it is not too much of an imposition, he would like to include another column of where we are now and what changes have been made as he would find that very helpful. Director of Finance Navazio said yes, Staff can do that.

Director of Finance Navazio continued his presentation.

Trustee Morris said that this was a general question for us as a Board and that it is not a decision but is there an appetite for other sources of funding. In the past, the majority was no, pay as you go. He would like the Board to

have that discussion, not today, because we need to understand what our appetite is to bond especially in these uncertain times. We should be bonding Ski Way, pool, and the beach house. Those decisions are going to materially impact our finances going forward. It might be prudent to be a little more conservative with our fund balances to tide us over and with the interest rates what they are and with this being a good practice generally, in these uncertain times, it might be a good thing. We need to have that discussion because there is work involved.

Chairman Callicrate said the original bone of contention was what the bonding opportunities were and that for something like Ski Way or the pipeline, that are major projects, is one thing and that the beaches are a little more problematic and that this is opening a can of worms but we need to look at all opportunities.

Interim District General Manager Winqest said that there has been a concept floated about reallocating the Recreation Fee which is also a valid idea that is worth exploring especially with the beaches and we should be exploring that concept. However, he does want our Director of Finance to have a good understanding as we don't want to do something that isn't prudent for our community.

Director of Finance Navazio continued his presentation.

Chairman Callicrate said that he has had a chance to speak with Director of Finance Navazio and acknowledges that he came in at a difficult time and that he inherited a lot. He knows that you are working on that and that he is looking forward to the numbers being adjusted and readjusted. We need to take into account, with a new set of eyes, that several members of our community have raised valid concerns that need to be addressed. We are in uncharted territory and thank you to Staff for their work. There is a lot of work to do and we have talked about doing a workshop which may be problematic with this whole COVID thing.

Trustee Dent said thank you for the presentation and on the funding of the projects that have been prioritized by the previous Boards, the last time we did this, the Incline Beach House and the Burnt Cedar pool were the top two projects. We need to create a five year look that takes that into account and possibly shifting off a paving or Public Works project because we need to do the simple things correctly to gain trust with the community and then entertain bonding for a paving project. Another example of prioritizing is that

we have \$900,000 for the lithium battery golf carts. We need to have a discussion and do a deeper dive into that project and into the Board's priorities at prior meeting. Trustee Dent concluded by stating that he doesn't know if we will be setting priorities but it would be good so we are all on the same page.

Trustee Wong thanked Staff for the work they have put in and stated that it reflects the priority projects that we have been discussing and noted that Staff has done a good job on that.

Chairman Callicrate said that we have prioritized so much and revised ourselves blind and while he is not trying to be flippant about that and clearly how are we going to pay for it especially with all that is going on, it is critically important that it has to be addressed. The two most critical projects are the pipeline and the pond. In Community Services, the Incline Beach House has been up there as that building is falling down and he knows because he worked there twenty years ago and it probably hasn't gotten any better as well as being a community priority. Then there is the dog park. We are not going to solve it all this evening and Staff has gotten good direction.

Trustee Schmitz said regarding priorities that she would like to ask Staff for some input as there are some things that need to be maintained and she understands that and that the effluent pipeline is on the top of her list and knows that there are still issues with the Burnt Cedar pool such as leaks, etc. She is a little puzzled about why the pool estimate is \$2.7 million as that is a pretty big jump. It has been identified as a priority and it is at the end of life but it is next to the lake and we can't have it leaking. This whole situation with COVID means we are going to have to work very closely and collaboratively because we don't know the impact on revenues. We have to pull together and continue to keep communications open on how we tackle projects.

Chairman Callicrate said luckily we have quite a bit of reserves, whether by design or not, we have \$4.5 million we have kept for emergencies and we are in that emergency. Collaboration is going to be critical not only as a Board and with our District Staff but the community has to be fully aware that this is unprecedented. How do we go through this time which is dancing on egg shells and with a welcome to a fresh set of eyes with our Director of Finance and Interim District General Manager and then with seasoned and new Board members? He is looking forward to drilling down on the numbers

and seeing what we can come up with it as it is alarming where we are at but we will get through it.

Trustee Morris said he has one small item to ask about and referencing agenda packet page 44, first line item, natatorium safety items that were budgeted at \$90,000 has been cancelled or is it being refreshed and why. Interim District General Manager Winquest said that the mezzanine area above the natatorium was where we were storing all the cycling bicycles and we have done some simple improvements so we no longer have the need for that project. The project has been pushed for three or four years and we discussed it when we were talking about the D.W. Reynolds building and it got bumped then. He doesn't cut anything out for safety unless Staff can convince him otherwise; that is a great catch. As we go through the prioritization, we will prioritize safety. The entrance is a major safety issue and that it is a project that we need to move forward with. We will be labeling them by venue and coming up with a good plan.

Trustee Morris said it is important, in the current unknown times, that it is not all euphoria and not all doom and gloom. We can come to the middle ground and as you take our discussion, he thinks we have to try and strike a balance for not what we wish we could do and to not kill everything because we think the world might end. As we look at the projects and as Staff brings recommendations to us, we have to determine if they are do or die and then if things turn around, can we do them. He is concerned about not putting them into the budget or putting them in to the budget. He would like Staff to do a scoring or priority of the number one projects as he wants plenty of time to say no if we want to. Take a prudent approach and not totally rape our opportunities for the future.

Chairman Callicrate said that is a great point and we need to cut back where we need to without compromises to operations and with capital we might have to scale down. On the pool, how did it grow to \$2.7 million? We need to spend each dollar in the wisest way possible and not that we haven't done that but look at this as a golden opportunity to get to bare bones and then add meat to the bones.

Director of Public Works Joe Pomroy said he would like to add some clarity. There are some big things to be aware of as Staff is submitting for building permits on the Tennis Center project and in early June, we will be coming to the Board for an award for construction. In the upcoming year, on agenda packet page 48, there are a significant amount of vehicles and equipment

and all of those will be decided and dependent on our financial situation; we will only be moving forward if the financial situation allows it and do we need it. The biggest project in there is the drainage and best management practices at the Championship Golf Course Maintenance building which is an infrastructure project which has a serious problem over there. In Community Services, the consideration of the golf cart fleet for the Championship Golf Course can be done towards the end of the season so there is a lot of time to think about that project. The ski buses are a spring decision and we should leave them in the plan because the decision point is six to nine months away. Some projects are absolutely mandatory – work on the ski lifts, etc. The big projects are in year two so they are much farther out for a decision. In year one, there is \$700,000 in maintenance and then the Tennis Center project. A lot of this will be within the General Manager's authority. He is comfortable with this plan and if we don't move forward with something then that will harm the District's future.

Chairman Callicrate said he appreciated that information.

Trustee Schmitz said thank you for the details and asked if it would be a great deal of work for Staff to lay this out in a decision format. Director of Public Works Pomroy said Staff can do that and that he would like to lump it down in \$100,000 chunks which would lead to a table of ten to fifteen items and then move the smaller items to another pool.

Director of Finance Navazio said he would like to marry the two points and request that Staff go through the CIP and identify category 1, 2, and 3 projects and then overlay on that the timing of decisions. The overlay is the relationship between the State of Nevada and the District and we have to also figure if we are working collaboratively and erring on the flexibility to pull back then move forward. We have to put all those timing things together but we are getting a sense of what the Board wants. Approving a budget doesn't mean we are spending a dollar.

Trustee Dent said he has nothing further to add.

Trustee Wong said she has nothing further to add.

Chairman Callicrate thanked everyone for this needed discussion and to keep up the good work with your Staff.

At 8:25 p.m., Chairman Callicrate called for a break; at 8:30 p.m. the Board reconvened.

H.4. DISCUSSION ONLY - Discuss consideration of initiating process to evaluate converting the District's existing Community Services and Beach Governmental Special Revenue Funds back to Proprietary Enterprise Funds for fund accounting and financial reporting as well as budgeting and long-range financial planning. (Presenting Staff Members: Interim District General Manager Indra Winquest and Director of Finance Paul Navazio)

Chairman Callicrate said there will be much more of a discussion and action taken in the near future and that he wants to have a focused discussion.

Interim District General Manager Winquest began the overview of the submitted materials and then turned it over to Director of Finance Navazio.

Chairman Callicrate said that he understands that this is a process and there is a process that we have to abide by. It is imperative to act as collaboratively as we can and to follow the timelines and that he does realize that there is a process. The Nevada Revised Statutes state certain things and the State of Nevada Department of Taxation is telling us what we have to do and we don't want to do is become an adversary as this is a new era and we want to work along with them to achieve the end result to go back to Enterprise Fund Accounting if so deemed appropriate by the Board.

Director of Finance Navazio went over the submitted materials and then stated that based on two conversations with the State of Nevada Department of Taxation that any direction by the Board of Trustees appears only likely to impact our 2021/22 budget and the financial statements thereafter. This is an opportunity to have a good discussion of the pros and cons on this topic as there is no right or wrong. It is about the best aligned procedures with the operations of the District and that he is too new to render an opinion and that should the Board make a decision to give direction, Staff is in a position to make it happen. He is presently going through the Nevada Revised Statutes and GASB statements and putting them side by side and then laying our items in to help him. Ultimately, it is a Board decision but it is not about right or wrong but the one in the best interest of our District going forward.

Chairman Callicrate asked about an overview of the State of Nevada requirements and turned to Trustee Schmitz for that overview. Trustee Schmitz said that the steps for the process should we determine we want to make the change is the first step is to obtain a letter from our Auditor who has reviewed the situation. Obviously, Board approval and then go before the State of Nevada Board of Taxation to inform them that we want to make that change and the earliest we could do that is June. There has to be an evaluation of assets which is a time consuming process and three years of budgets would need to be reflected and financial reports presented both ways until a decision is made by the Department of Taxation. Director of Finance Navazio said it is his understanding, and he is a little confused by the requirement of transition in financials, thus he doesn't quite understand what they meant about the Comprehensive Annual Financial Reports (CAFR). Trustee Schmitz said that they have a very minimal discussion and what she understood was that our new Director of Finance was to obtain the materials that were used from the Auditors at the time and review that and then present why the change. We have operated in a different form since inception and, without putting words in anyone's mouth, look at why are you moving in this direction. Understanding the past helps us to make a decision in the future.

Director of Finance Navazio, referencing agenda packet page 75, said that the process undertaken five years ago was that the District Staff made the case to the District's independent Auditor that a transition would make sense and a letter was received with that concurrence which is agenda packet page 75. Based on the material presented, it would be helpful for him to understand what that was and that the State of Nevada said we are going to need that from our current Auditor and that he wants to bring the history forward, lay it out, and then move forward from there.

Chairman Callicrate said based on the conversations with the State of Nevada, this is a multi-year situation. Director of Finance Navazio said that this would be a workload item for this coming fiscal year and probably in fall or early winter and not in March or tomorrow. It is having a discussion then having one year to make the change and then multi-years to fully implement. Chairman Callicrate so for the 2020/21 budget cycle, we, in the District, can use what we have used in the past to show what we want to do and is he correct in that. Director of Finance Navazio said he would state it a little differently. The official budget and financial statements will be done and reported to the State and the CAFR will be in special revenue fund. We got push back from the State that if we started working on a reconciliation and

if we were in Enterprise, we would have to state here is where they are different, etc. and that it ties out and the caution of the State was that we should be very careful on the perception because it appears that you are working on two sets of books. This is about financial statements and it comes down to accounting for our assets and understanding that there is a big focus on this. There are some implications on reporting of capital and that is why we may be able to show them side by side.

Chairman Callicrate said that he wants to be perfectly clear that the District is not keeping two sets of books and that everything we are doing is legal and that we are not going to go to two sets of books rather this is an informational aspect. Director of Finance Navazio said that this is information to the Board and the community and that there is integrity of the data and how it is reflected in the statements and plans/budgets.

Trustee Dent thanked Trustee Schmitz for giving us an update on the conversation. When he has spoken to Tiffany at Eide Bailly, she said it was a management decision and that when the Board makes a decision that getting a letter doesn't appear to be an issue. He appreciates the Director of Finance getting what we represented five year ago as it is important information and it is his understanding that there is a process but that we don't approve anything rather we are relying on the Auditor. He doesn't know if we have meeting minutes from five or six years ago but that might be helpful to know to see where we ended up and to help us get to where we want to go.

Trustee Wong said at the end of the day, she doesn't care either way. On agenda packet page 80, it is extremely well written and very clear on going through the guidance on agenda packet pages 81 and 82 and that it becomes a management decision on which type we prefer as neither way is wrong and the moral of the story is that it comes down to a management decision.

Trustee Morris said thank you for this discussion, ongoing discussion, and education. He did find the guidance letter very helpful on which way to go and that his takeaway is that both are acceptable to the State and that our accounting should reflect our business. At the end, there are pros and cons of this method and then the same for the other methods and that there are benefits either way and in the end you are answering your own question of why are you doing X or why are you doing Y. At the end, the Board comes together and selects path X or Y for these specific reasons and it is important

for future Boards to have a record of why we are here and to make the right decision. He really hopes that this stops the commentary from the public that we are doing something illegal because we are not.

Trustee Schmitz said that something that she learned is that it is management's responsibility to comply with GASB and that ultimately it is the responsibility of management to make sure we are complying with GASB and that it is not a decision about which we like better but about analyzing our business and how it relates to GASB and making that decision.

Chairman Callicrate said it is critically important and he doesn't want a future Board to being say why. It worked well for fifty five years and it probably should have stayed the same. He is looking forward to move conversation based on what the State is requiring of us and some may say the law is the law is the law. He doesn't want to get into a wrangle with the Tax Board. We are working with the constraints and we can't take the current budget and shoehorn it into Enterprise Fund accounting based on the restrictions by the State so let's have a little more sanity while moving it forward and addressing it. We need a little more information but we are on the right track to get it changed.

Interim District General Manager Winquest said that he agrees with Trustee Schmitz and he supports transition back to Enterprise Fund accounting. It is important for the Board to have this discussion as a Board and that is why we didn't bring this back until now. He is glad we are having this discussion and that it is extremely important to make if we make this transition that we are doing it for all the right reasons. We have an election coming up for three seats on this Board and there is a very good chance that two of you will get re-elected and the reason he brings that up is that the State emphasized heavily that if we get a different Board, we are not going back. We had the discussion about let's set up future Board for success. The frustration of the State is that we put them through the process of convincing them and that process took two or three years. Once we solidify, we want to give confidence to future Boards. We have gotten clear direction from the State that we have to go through this process. He doesn't think it is a good idea to be averse to the State so let's start this out with our Director of Finance having a good relationship with the State and them working with us while setting up future Board for success.

Chairman Callicrate said we will be getting more information and that discussion will come forward.

Chairman Callicrate gave a heads up to anyone who wanted to dial in to make public comment that now is the time to begin that process.

I. REPORTS TO THE IVGID BOARD OF TRUSTEES*

I.1. District General Counsel: Law Firm of Hutchison & Steffen

District General Counsel Alex Velto said he had nothing new to report.

J. BOARD OF TRUSTEES UPDATE (NO DISCUSSION OR ACTION) ON ANY MATTER REGARDING THE DISTRICT AND/OR COMMUNITIES OF CRYSTAL BAY AND INCLINE VILLAGE, NEVADA*

There were no Board of Trustees updates made at this time.

K. PUBLIC COMMENTS*

Aaron Katz said he wants to meet the Director of Finance as his comment was one hundred percent wrong. What we do here is we pass a Recreation Fee as if it is tax and as if you can rely on it for budget purposes – that answer is no, no, no. If you don't pass the Recreation Fee, then you don't have the money. If you pass it, you have already spent it. Pass a budget with \$7 million then you spend it or you hold on to it for a slush fund in which it doesn't matter what you spend it on. This ties into Enterprise Fund accounting because Staff wanted to start spending the money from Enterprise and NRS 354.613 tells you it is unlawful in a transfer fund. Staff changed the funds to special revenue so it won't be lawful and going back will stop Staff from spending. Mr. Katz said he did another written statement that Staff is proposing \$27 million for CIP and debt service which is \$6 million per year and it doesn't cover overspending. We budget to spend \$7 million more than the revenues so where is the money going to come from.

Yolanda Knaack said she wants to echo what Trustee Schmitz said about making the effluent pipeline a priority as it is really, really important and the other thing she said is to echo is how did pool go from \$1 million to \$2.7 million.

Frank Wright said he would like to question Trustee Morris. You eliminated every member of our community as people who are being vicious and vocal minorities so exactly what is the criteria you are going to put on and are you

going to vet every member? One would seem to think that people who speak out aren't capable to serve on any committee and that you seem to be chastising those which include you. You seem to be a very negative person and if you haven't figured it out, everything that is being brought forth is to make it better that is why we are fighting everything. What are you afraid of Trustee Morris? This is the same thing as forty-eight people down in Reno not getting paychecks. He finds your comments ludicrous and can't believe that you can represent anyone in this community; he is trying to figure out why you are on this Board. He is sure that the damages will be vetted out and that he can't wait until you go.

Margaret Martini read from a written statement which is attached hereto.

Hearing no further public comments, Chairman Callicrate closed public comments. Trustee Morris asked to speak.

Trustee Morris said that this was the usual diatribe and that he does wish that members of the public would get their facts straight before casting aspirations. With regards to employees not getting paychecks, the public really should check the legal situation and check it out with the courts because not one person didn't get their paychecks.

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

Interim District General Manager Winquest went over the long range calendar and noted that Staff is looking at holding these meeting all virtually and we will be working on that process by doing some trial runs, etc. and that we will be doing it that way for the next four to six weeks.

Trustee Schmitz mentioned the Board of Trustees handbook and asked for feedback before Monday. Chairman Callicrate said he would like to defer that item until May 6 so we have plenty of time to look at it; Trustee Schmitz said that was totally fine with her.

Interim District General Manager Winquest said that the guest access ticket information is included in the General Manager's report so that will come off the calendar, right now, the ski rental equipment will be on the April 14 agenda as a general business item, and the Audit Committee Charter/Policy will be on the May 6 agenda.

Interim General Manager Winquest then mentioned the concept of holding a budget workshop; the Board had a conversation and decided that a budget workshop could be held on Thursday, May 7 starting at 5 p.m.

Trustee Schmitz said that she had a question; in reviewing the Governor's declaration, does it include public hearings. District General Counsel Velto said yes, it covers all public meeting.

Trustee Dent asked to have an agenda item added on May 6 for Board Policy 7.1.0 and Practice 7.2.0; Chairman Callicrate said that was fine.

Chairman Callicrate thanked all of those who called in and watched the Livestream and said that we appreciate the patience. We have many employees who are suffering dramatically and many who have lost their jobs and that he is hopeful that in the next four to six weeks, we can look back with levity.

M. ADJOURNMENT (for possible action)

The meeting was adjourned at 9:26 p.m.

Respectfully submitted,

Susan A Herron
District Clerk

Attachments*:

*In accordance with NRS 241.035.1(d), the following attachments are included but have neither been fact checked or verified by the District and are solely the thoughts, opinions, statements, etc. of the author as identified below.

Submitted by Tracy Babayco (1 page): E-mail dated April 1, 2020; Subject: Vote tonight

Submitted by Patrick McBurnett (1 page): E-mail dated March 31, 2020; Subject: Public Comment 4/1/2020

Submitted by Chuck Weinberger (1 page): E-mail dated March 31, 2020; Subject: I support a no smoking at all IVGID recreation facilities

Submitted by Mark Tanner (1 page): E-mail dated March 31, 2020; Subject: Support Smoking Ban Proposal

Submitted by Aaron Katz (4 pages): Written statement to be included in the written minutes of this April 1, 2020 regular IVGID Board meeting – Agenda Item C – Public Comments – Read by lips Finance Director Paul Navazio. No new Recreation/Beach bonds!

Submitted by Aaron Katz (6 pages): Written statement to be included in the written minutes of this April 1, 2020 regular IVGID Board meeting – Agenda Item H(3) – Because Staff refuse to share the services and supplies line item expenditures they propose be budgeted for 2020-21 to the Community Services and Beach funds, and local parcel/residential dwelling unit owners are forced to subsidize overspending in these funds through the Recreation (“RFF”) and Beach (“BFF”) facility fees they are involuntarily compelled to pay, the Board should not ratify/approve Staff’s proposal 2020-21 capital improvement plan (“CIP”) budget until Staff produce a line item summary of proposed services and supplies expenditures in the Community Services and Beach funds

Submitted by Gavin Feiger (3 pages): Resolution 1876, Policy and Procedure Number 139, No Smoking, except in designated areas, at District Recreational Facilities

Submitted by Judith Miller (1 page): 4/1/20 IVGID Board of Trustees Meeting – Item C Public Comment

Submitted by Clifford F. Dobler (1 page): Public Comments – Board of Trustees Meeting April 1, 2020

Submitted by Linda Newman (1 page): April 1st, 2020 IVGID Board of Trustees Meeting Public Comments By: Linda Newman – To be included with the Meeting Minutes

Submitted by Margaret Martini (1 page): April 1, 2020 IVGID Board of Trustees Meeting Public Comment By Margaret Martini – To be included with the Minutes of the Meeting

Submitted by Margaret Martini (1 page): April 1, 2020 IVGID Board of Trustees Meeting Public Comment By Margaret Martini – To be included with the Minutes of the Meeting

Submitted by Aaron Katz (16 pages): Written statement to be included in the written minutes of this April 1, 2020 regular IVGID Board meeting – Agenda

Item C – Public Comment – Because Staff see IVGID as being nothing more than a series of commercial “for profit” businesses rather than the limited purpose local government it really is, they feel it perfectly acceptable to spend over \$400,000 annually on bank fees paid to process credit card charges in large part made by the world’s tourists. Because I don’t, I ask that the IVGID Board reduce the District’s proposed 2020-21 Community Services/Beach funds’ budgets by a minimum of \$405,336 to force Staff to modify its behavior

Herron, Susan

From: Tracy DeLeeuw <yourstruly125@hotmail.com>
Sent: Wednesday, April 1, 2020 7:10 AM
To: Info_at_IVGID
Subject: Vote tonight

Follow Up Flag: Follow up
Flag Status: Completed

Please vote to keep smoking off our beautiful beaches. It is just as much garage as empty cans and dog poop, and those are banned.

Thank you,

Tracy Babayco
My family has been in Lake Tahoe since 1932.

Sent from my iPad

Herron, Susan

From: Patrick McBurnett <ktrick44@gmail.com>
Sent: Tuesday, March 31, 2020 1:57 PM
To: Info_at_IVGID
Subject: Public Comment 4/1/2020

Follow Up Flag: Follow up
Flag Status: Completed

We need to move immediately to appoint Indra permanent General Manager. During these troubled times we need stability. Indra has done an excellent job and has massive support in the community and on the Board. He deserves closure as well. We are very lucky to have him and we have saved thousands of dollars not going to a head hunter who would no doubt find us another politician like the last one.

Patrick McBurnett
768 Tyner Way
IV

Herron, Susan

From: Chuck Weinberger <cweinberger@gmail.com>
Sent: Tuesday, March 31, 2020 10:41 AM
To: Info_at_IVGID
Subject: I support a no smoking at all IVGID recreation Facilities

Follow Up Flag: Follow up
Flag Status: Completed

Over 10 years ago the IVGID board of trustees voted in favor of Diamond Peak becoming a “no smoking ski resort.” Here is a reference to an article regarding that vote:

<https://www.sierrasun.com/news/tahoed-diamond-peak-ski-resort-to-discourage-smoking/>

The first season after the vote Diamond Peak placed “No Smoking” signs in public meeting places all around Diamond Peak, including outside dining areas and lift lines. Over the following three years those signs completely disappeared, and now the only “No Smoking” signs concern smoking in buildings. As a result, it is now typical to find somebody smoking at an outside dining table right next to a family that is eating lunch.

So, I am writing today with two goals in mind; please re-energize Diamond Peak’s efforts as a “no smoking“ ski resort, and please vote in favor of making our beaches no smoking as well.

Regards,

Chuck Weinberger
Sent from my iPad

Herron, Susan

From: Mark Tanner <marktanner@gmail.com>
Sent: Tuesday, March 31, 2020 7:52 AM
To: Info_at_IVGID
Subject: Support Smoking Ban Proposal

Follow Up Flag: Follow up
Flag Status: Completed

Please pass a ban on smoking at the public beaches (and parks!).

It will make life better for all of us who live in Incline Village.

It is awful to try to enjoy the beauty of Tahoe while being forced to inhale someone's cigarette fumes.

Sincerely,

Mark S Tanner
Full Time Resident - Incline Village

**WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF
THIS APRIL 1, 2020 REGULAR IVGID BOARD MEETING – AGENDA ITEM C –
PUBLIC COMMENTS – READ MY LIPS FINANCE DIRECTOR PAUL NAVAZIO.
NO NEW RECREATION/BEACH BONDS!**

Introduction: At this meeting Staff seek Board approval¹ for a proposed 2020-21 capital improvement budget (“CIP”) budget totaling \$9,806,190². But what’s more worrisome, is that Staff have shared a proposed “5 Year CIP Summary”² calling for \$53,280,090 of expenditures as well. And that’s the purpose of this written statement.

The RFF/BFF Pay For the Majority (74½%) of Overspending in the General Fund: If Board members and the public don’t get it, just like the District’s Community Services and Beach Funds, Staff budget to *overspend* relying upon the RFF/BFF and utility rates, respectively, to subsidize the shortfall. This subsidy is made up of transfers (disingenuously labeled “Central Services”³) from the Community Services, Beach and Utility Funds. For 2020-21, Staff have proposed that:

\$971,940 (66¼%) of overspending in the Community Services Fund (\$254,820 from the Championship Golf sub-fund⁴, \$58,140 from the Mountain Golf sub-fund⁵, \$417,600 from the Ski sub-fund⁶, \$27,420 from the Facilities sub-fund⁷, \$133,440 from the Recreation Center sub-fund⁸, \$45,540 from the Parks sub-fund⁹, \$13,680 from the Tennis sub-fund¹⁰, and \$21,300 from the Community Services Administration sub-fund¹¹) be transferred to the General Fund under the guise they represent “Central Services” expenses;

¹ Disingenuously labeled “direction.”

² See page 37 of the packet of materials prepared by staff in anticipation of this April 1, 2020 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_4-1-20.pdf (“the 4/1/2020 Board packet”)].

³ See page 161 of the packet of materials prepared by staff in anticipation of the Board’s March 11, 2020 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/3-11-2020-BOT_Packet_Regular.pdf (“the 3/11/2020 Board packet”)].

⁴ See page 92 of the 3/11/2020 Board packet.

⁵ See page 97 of the 3/11/2020 Board packet.

⁶ See page 102 of the 3/11/2020 Board packet.

⁷ See page 112 of the 3/11/2020 Board packet.

⁸ See page 119 of the 3/11/2020 Board packet.

⁹ See page 128 of the 3/11/2020 Board packet.

¹⁰ See page 139 of the 3/11/2020 Board packet.

¹¹ See page 143 of the 3/11/2020 Board packet.

\$118,920 (8¼%) of overspending in the Beach Fund be transferred to the General Fund under the guise the “Central Services”¹² expenses; and,

Another \$187,290 each from the sewer¹³ and water¹⁴ sub-funds [for a total of \$374,580 (25½%)] be transferred to the General Fund under the guise they represent “Central Services” expenses.

Over the Next Five (5) Years Staff Propose That the District Incur \$4,620,250 of CIP Costs Assigned to the General Fund¹⁵:

Over the Next Five (5) Years Staff Propose That the District Incur \$21,374,860 of CIP Costs Assigned to the Community Services Fund¹⁶:

Over the Next Five (5) Years Staff Propose That the District Incur \$4,286,160 of CIP Costs Assigned to the Beach Fund¹⁷:

That’s a Total of \$28,721,936 in CIP Costs Either Directly or Indirectly Borne by the RFF/BFF, or on Average, \$5,744,387 Per Year For the Next Five Years!

And Don’t Forget About the \$361,000 Annually (Subsidized by the RFF/BFF) Which Until September of 2022 Services \$1,498,000 of Outstanding Recreation Facilities and Recreation General Obligation Bonds¹⁸:

Combined These Two Sets of Expenditures Represent *More Than 90%* of the RFF/BFF (\$6,751,615) Assuming the RFF/BFF Remain Level at \$830 Annually¹⁹:

Leaving Essentially Nothing (\$646,228) to Subsidize Staff’s Guaranteed Overspending on Operations: And remember that for 2020-21 Staff have proposed \$2,422,225 of overspending²⁰!

¹² See page 134 of the 3/11/2020 Board packet.

¹³ See page 152 of the 3/11/2020 Board packet.

¹⁴ See page 151 of the 3/11/2020 Board packet.

¹⁵ See page 46 of the 4/1/2020 Board packet.

¹⁶ See page 52 of the 4/1/2020 Board packet.

¹⁷ See page 53 of the 4/1/2020 Board packet.

¹⁸ See page 49 of the 2019 of the District’s Comprehensive Annual Financial Report [“the 2019 CAFR” (<https://www.yourtahoepalace.com/uploads/pdf-ivgid/2019-IVGID-CAFRReport.pdf>)].

¹⁹ See page 255 of the packet of materials prepared by staff in anticipation of the Board’s May 22, 2019 meeting [https://www.yourtahoepalace.com/uploads/pdf-ivgid/BOT_Packet_Regular_5-22-19.pdf (“the 5/22/2019 Board packet”)].

²⁰ See page 89 of the 3/11/2020 Board packet.

And All of This Assumes Staff's Revenue Projections For 2019-20 as Well as 2020-21 Were/Are Accurate Which Because of COVID-19 We All Know is Not the Case!

And All of This Assumes Staff's Estimated CIP Costs Are Accurate Which We All Know is Unlikely!

And Not to be Forgotten, None of These CIP Numbers Include Funding For the Board's Coveted \$3 Million or Greater "Incline Beach House" Project: Take a look at page 52 of the 4/1/2020 Board packet. But for another \$100,000 in engineering costs, the "Incline Beach House" project is conspicuously absent. Moreover, at page 54 of the 4/1/2020 Board packet where staff outline "planned...funding...to meet asset replacement," costs associated with the "Incline Beach House" project are listed as "TBD."

And Not to be Forgotten, None of These CIP Numbers Include Funding For Two Members of the Board's Coveted \$18,408,462 or Greater²¹ "Diamond Peak Summertime Operations" Project: Take a look at pages 50-51 of the 4/1/2020 Board packet. The "Diamond Peak Master Plan" project is conspicuously *absent*.

So Where Does Staff Propose the Moneys Are Going to Come From Over the Next Five (5) Years to Prosecute its Wish List of CIPs? At page 36 and 54 of the 4/1/2020 Board packet our new Finance Director suggests the answer: "some form of time payments (leasing or bonding...or Other Funding)."

Regardless of Your Answer, it's Time to Put the "Incline Beach House" Project to Bed: Given we've already wasted \$50,000²² and who knows how much more of unreimbursed staff time on this project, *it's time to put this boondoggle of a project to bed!*

Regardless of Your Answer, it's Time to Put the "Diamond Peak Summertime Operations" Project to Bed: Given we've already wasted \$790,000²³ and who knows how much more of unreimbursed staff time on this project, *it's time to put this boondoggle of a project to bed!*

And You Now See We Should Never, Never, Ever Begun the \$1,062,947²⁴ or Greater Mountain Golf Course Clubhouse Renovation Project:

And You Now See We Should Never, Never, Ever Begun the \$1.17 Million²⁵ or Greater Tennis Center Renovation Project:

²¹ See page 55 of the Diamond Peak Master Plan at https://www.yourtahoeplace.com/uploads/pdf-ivgid/DPMP_August_2015_10-21-2015.pdf.

²² See page 42 of the 4/1/2020 Board packet.

²³ See page 43 of the 4/1/2020 Board packet.

²⁴ See page 12 of the 4/1/2020 Board packet.

²⁵ See pages 13-14 of the 3/11/2020 Board packet.

Conclusion: The irresponsibility of Staff is arrogantly stunning. To ask local property owners to assume this level of expenditures not an option. Nor is any increase in the RFF/BFF so un-elected staff can put into practice their grandiose CIP plans. NOR IS ANY BONDING Mr. Navazio!

The only way for the Board to reject Staff's proposed overspending is to **ELIMINATE THE SUBSIDY OF THE RFF/BFF, REDUCE BUDGETED EXPENDITURES BY A LIKE AMOUNT**, and direct staff to figure out how to make budgeted revenues work.

And to those asking why your RFF/BFF are as high as they are, and never seem to be reduced, now you have another example of the reasons why.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS APRIL 1, 2020 REGULAR IVGID BOARD MEETING – AGENDA ITEM H(3) – BECAUSE STAFF REFUSE TO SHARE THE SERVICES AND SUPPLIES LINE ITEM EXPENDITURES THEY PROPOSE BE BUDGETED FOR 2020-21 TO THE COMMUNITY SERVICES AND BEACH FUNDS, AND LOCAL PARCEL/ RESIDENTIAL DWELLING UNIT OWNERS ARE FORCED TO SUBSIDIZE OVERSPENDING IN THESE FUNDS THROUGH THE RECREATION (“RFF”) AND BEACH (“BFF”) FACILITY FEES THEY ARE INVOLUNTARILY COMPELLED TO PAY, THE BOARD SHOULD NOT RATIFY/APPROVE STAFF’S PROPOSED 2020-21 CAPITAL IMPROVEMENT PLAN (“CIP”) BUDGET UNTIL STAFF PRODUCE A LINE ITEM SUMMARY OF PROPOSED SERVICES AND SUPPLIES EXPENDITURES IN THE COMMUNITY SERVICES AND BEACH FUNDS

Introduction: Here Staff seek Board approval of a proposed 2020-21 CIP budget totaling \$9,806,190¹. Of this total Staff propose the Board budget a whopping \$3,792,040 of CIPs to the Community Services Fund, and \$454,500 of CIPs to the Beach Fund, respectively¹. On March 11, 2020 Staff proposed an operational budget that called for \$2,422,225 of overspending. When one adds the two sets of numbers, one gets a very clear picture of the District’s overspending at every one of its recreation venues. And as you can see, but for Diamond Peak, not one of our recreational venues or the programs offered thereat is budgeted to break even. *NOT ONE!* And if all of our revenue projections must now be thrown out the window because of COVID-19, then it’s likely Diamond Peak will be unable to operate in the black! I have created a spreadsheet (see below) which documents the foregoing, broken down by venue, and as follows. See for yourself!

And Please Understand These Numbers Are Staff’s Numbers: even though I and others I know are of the opinion staff’s financial reporting is deceitfully presented to put the happiest face forward.

¹ See page 37 of the packet of materials prepared by staff in anticipation of this April 1, 2020 meeting [https://www.yourtahoepace.com/uploads/pdf-ivgid/BOT_Packet_Regular_4-1-20.pdf (“the 4/1/2020 Board packet”)].

Proposed 2020-21 Budgeted Community Services and Beach Fund (Profit)/Losses			
Venue/Service	Operational (Profit)/Loss²	Capital Expenditure	Combined (Profit)/Losses²
Championship Golf	\$ 32,812 ³	\$ 1,535,000 ¹	\$ 1,567,812
Mountain Golf	\$ 221,481 ⁴	\$ 199,000 ¹	\$ 420,481
Diamond Peak	(\$ 1,640,600) ⁵	\$ 1,192,000 ¹	(\$ 448,600)
Facilities	\$ 41,015 ⁶	\$ 100,000 ¹	\$ 141,015
Recreation Center	\$ 820,300 ⁷	\$ 455,000 ¹	\$ 1,275,300
Youth & Family Programming	\$ 114,842 ⁸		\$ 114,842
Youth & Family Sports	\$ 98,436 ⁹		\$ 98,436
Senior Programming	\$ 188,669 ¹⁰		\$ 188,669
Community Services Administration ¹¹	\$ 1,041,781 ¹²	\$ 90,000 ¹	\$ 1,131,781
Parks	\$ 730,067 ¹³	\$ 172,440 ¹	\$ 902,507
Tennis	\$ 114,842 ¹⁴	\$ 48,600 ¹	\$ 163,442
Sub-Totals	\$ 1,763,645	\$ 3,792,040¹	\$ 5,555,685
Beach	\$ 658,580 ¹⁵	\$ 454,500 ¹	\$ 1,113,080
Totals	\$ 2,422,225¹⁶	\$ 4,246,540	\$ 6,668,765

² Subsidized by the RFF/BFF.

³ See page 92 of the packet of materials prepared by staff in anticipation of the Board's March 11, 2020 meeting [https://www.yourtahoepalace.com/uploads/pdf-ivgid/3-11-2020-BOT_Packet_Regular.pdf ("the 3/11/2020 Board packet")].

⁴ See page 97 of the 3/11/2020 Board packet.

⁵ See page 102 of the 3/11/2020 Board packet.

⁶ See page 112 of the 3/11/2020 Board packet.

⁷ See page 119 of the 3/11/2020 Board packet.

⁸ See page 120 of the 3/11/2020 Board packet.

⁹ See page 121 of the 3/11/2020 Board packet.

¹⁰ See page 118 of the 3/11/2020 Board packet.

¹¹ This is a complete phony expense entry (see discussion below).

¹² See page 143 of the 3/11/2020 Board packet.

¹³ See page 128 of the 3/11/2020 Board packet.

¹⁴ See page 139 of the 3/11/2020 Board packet.

¹⁵ See page 134 of the 3/11/2020 Board packet.

The Board Must Eliminate Wasteful Spending Because the Writing is on the Wall That Staff's Projected Revenues For 2020-21 at the District's Various Recreational Venues Are Grossly Overstated:

The \$1,132,381 of "Community Services Administration" Expenses Represented Above is 100% Phony, and Our Trusted Staff Know This Statement to be True: On April 7, 2016 former Finance Director Gerry Eick admitted to the IVGID Board and the public that part of every assessed parcel's/residential dwelling unit's RFF funds a hidden "discretionary reserve" (labeled "Community Services Administration") for all of the public's recreational venues. In other words, "Community Services Administration" sources and uses represent completely phony income and expenses!

Although at pages 14-15 of the packet of materials prepared by staff in anticipation of the Board's May 21, 2015 meeting ("5/21/2015 Board packet") Mr. Eick stated that \$57 of each assessed parcel owner's 2015-16 RFF went to pay operational and capital costs associated with "Comm(unity) Services Administration," on April 7, 2016 under interrogation as to what this expense category really represented, Mr. Eick admitted his written representations of May 21, 2015 *were false*. In testimony given to the IVGID Board as a prelude to its adoption of a Five (5) year Capital Improvement Plan, Mr. Eick revealed that Staff's "Comm(unity) Services Administration" entry was really nothing more than a discretionary "reserve" or "cushion" intended to serve as a vehicle to accumulate funds which could be used for unforeseen expenses assigned to "recreation" or future CIPs. Listen to Mr. Eick's admission while answering former Trustee Hammerel's pointed questions pertaining to this entry¹⁷:

Mr. Eick: "I have used that venue title...as *our discretionary fund*...to make it clear...what we've accumulated through operations or will accumulate through operations to finance future expenditures."

Trustee Hammerel: "I understand *it's kind of a built in cushion*...(But) more importantly, I think we talked before about not only having a reserve fund for each (recreation) venue but then having an (additional) umbrella (reserve) fund for *all* community services (venues)...*Is that what you're intending here for this Community Services Admin (entry)?*"

Mr. Eick: "***That is correct!***"

Unbelievable! What Mr. Eick admitted is that for 2015-16, rather than being a legitimate standby service charge to cover the costs staff incur for the mere "availability to use" the public's recreational and beach facilities as well as the services offered thereat, and just like a tax, this portion

¹⁶ See page 89 of the 3/11/2020 Board packet.

¹⁷ IVGID livestreams its Board meetings (<https://livestream.com/accounts/3411104>). And fortunately for the Board and the public this portion of the Board's April 17, 2016 meeting is memorialized at 43:37-53:28 of the 4/17/2016 livestream (<http://livestream.com/IVGID/events/5144683>).

of the RFF represented *more than what was necessary*; a discretionary “cushion” or umbrella “reserve” to hide the fact this sum should have been deducted from the RFF. So just like Mr. Eick’s infamous “smoothing” or “repurposing” policy, here Staff admitted creation of an intentionally mis-labeled expense entry to create a vehicle to accumulate funds to spend on future unidentified, unbudgeted and unappropriated pet projects. In other words, nothing more than a secret slush fund. *Thank you harrowed Staff.*

And If You Think the Current “Community Services Administration” Entries Reflect Anything Else, I’ve Got Some Public Bridges to Sell You:

Moreover in 2002 as Well as 2013, Then Boards Instructed Staff to Budget Essentially *All* of Our Recreational Venues to Operate on a Financially Breakeven Basis: On December 11, 2002 the Board adopted Resolution 1736¹⁸ which adopted Financial Standards for the District’s various recreational facilities. As the Board and the public can see from ¶VII(A) of Resolution 1736, that Board declared that the services provided by both at most of the public’s recreational venues be “provide(d) on a breakeven basis.” Although for political reasons Resolution 1736 was rescinded nearly six (6) years after its adoption (on March 26, 2008), and it was replaced with a watered down version of Policy 2.1.0, the subject was again discussed by the Board at its October 1, 2013 meeting. And thereat Board members were asked whether each of the District’s recreational facilities and the programs offered thereat “should generate a profit, break even, or simply provide value?” Four (4) of the five (5) trustees again declared that most of the public’s recreational venues should operate on a breakeven basis. And insofar as Championship Golf and Diamond Peak were concerned, the fifth (former Trustee Wolfe) declared they should actually generate a profit¹⁹! So what happened?

Why is it acceptable to continue to budget for operational and capital losses?

If We’re Going to Reduce Overspending, Here Are Some Examples of Proposed Wasteful CIP Budgeting Which Can Easily Be Eliminated: When you operate commercial “for profit” business enterprises at a loss, as Staff does, you need to reduce discretionary spending to eliminate that loss. But Staff refuse to do what every private business must do. Instead, every year they come up with a list of CIP “must haves” which in reality is nothing more than a “wish list.” Useful lives are calculated at a fraction of reality or necessity which makes for out-of-control spending year-after-year. Because staff have little interest in spending within the District’s financial means, rarely if ever do they budget to eliminate operational losses or marginally necessary capital expenditures. So because they won’t,

¹⁸ This resolution is attached as Exhibit “B” to the written statement addressing budgeting for Championship Golf submitted at the Board’s March 11, 2020 meeting.

¹⁹ A spreadsheet depicting trustees’ views on this subject was attached to the minutes of the Board’s October 1, 2013 meeting [see page 126 of the materials prepared by staff in anticipation of the Board’s October 30, 2013 meeting (“the 10/30/2013 Board packet”)]. A copy of that spreadsheet is attached as Exhibit “C” to the written statement addressing budgeting for the Tennis Center submitted at the Board’s March 11, 2020 meeting.

here I propose eliminating \$1,609,000 of very simple “NOT must haves.” And again, remember these items come from Staff’s own wish list:

Championship Golf: \$461,500 of very easy CIP deletions. Cart fleet - \$378,000²⁰, two (2) four (4) year old alcoholic beverage bar carts - \$34,000²⁰, three (3) four (4) year old carryall club carts - \$39,000²⁰, ice maker - \$10,500²⁰;

Mountain Golf: \$20,000 of very easy CIP deletions. Four (4) year old bar cart - \$20,000²⁰;

The Chateau: \$56,500 of very easy CIP deletions. Air wall replacements - \$56,500²⁰;

Diamond Peak: \$472,000 of very easy CIP deletions. Staff uniforms - \$135,000²¹, two (2) shuttle buses - \$280,000²¹, arc flash study - \$20,000²¹, seven (7) year old Yamaha ATV - \$21,000²¹, snowmobile fleet - \$16,000²¹;

Parks: \$69,000 of very easy CIP deletions. Five (5) year old ball field groomer - \$24,000²¹, six (6) year old pick-up truck - \$45,000²¹;

Recreation Center: \$332,500 of very easy CIP deletions. Remodel of upstairs lobby restrooms - \$170,000²², fitness equipment - \$45,000²², elevator modernization - \$97,500²², printer/copier - \$20,000²²;

Community Services Administration¹¹: \$90,000 of very easy CIP deletions. Arc flash study - \$10,000²², web site redesign - \$80,000²²; and,

Beaches: \$107,500 of very easy CIP deletions. Additional Incline Beach restaurant expenditures²³ - \$100,000²², replace playgrounds - \$7,500²².

If We’re Going to Reduce Overspending, We Have to Take Away the Money; i.e., the Subsidy of the RFF/BFF: As long as local property owners keep funding these expenditures with their RFF/BFF, Staff will continue to make them.

My E-Mail Request of February 17, 2020: On February 17, 2020 I sent interim General Manager Winquest an e-mail pertaining to the upcoming 2020-21 budget²⁴. Knowing that wasteful

²⁰ See page 39 of the 4/1/2020 Board packet.

²¹ See page 40 of the 4/1/2020 Board packet.

²² See page 41 of the 4/1/2020 Board packet.

²³ Remember. Neither the public nor the Board has approved this facility; especially at a cost of \$3.5 million or more.

²⁴ This e-mail is attached as Exhibit “B” to the written statement requesting the Board not ratify/approve Staff’s proposed expenditures until Staff produce a line item summary of proposed expenditures submitted at the Board’s March 11, 2020 meeting.

spending gets buried within the budget's "Services and Supplies" expense category, I asked to examine "EVERY individual, line item expense, under the Services and Supplies category," in the Community Services and Beach Funds. To date staff have failed to make available for my examination *any* of the requested documents.

For this reason Staff is not to be trusted. And the only way to deal with them is to take away the money and force them to figure out how to make the numbers balance. And that's what I request (see discussion below).

Conclusion: Isn't it time for this Board to take charge of the District's finances rather than passing off this responsibility to staff who have consistently demonstrated their arrogance by being unwilling or not capable of managing the District's recreational venues on a financial break even or positive cash flow basis? Given staff have refused to share financial records evidencing each and every one of its proposed "Services and Supplies" expenditures in the Community Services and Beach Funds, none of them can be trusted and I ask Staff's proposed CIP budget be *REJECTED*. Without this critical information, Staff's proposed budget is a wasteful endeavor.

The only way for the Board to reject Staff's proposed overspending, is to ***ELIMINATE THE SUBSIDY OF THE RFF/BFF, REDUCE BUDGETED EXPENDITURES BY A LIKE AMOUNT***, and direct staff to figure out how to make budgeted revenues work.

And to those asking why your RFF/BFF are as high as they are, and never seem to be reduced, now you have another example of the reasons why.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

April 1, 2020

Incline Village General Improvement District
Board of Trustees
893 Southwood Blvd
Incline Village, NV 89451
Submitted via email - info@ivgid.org

RE: Resolution Number 1876, Policy and Procedure Number 139, No Smoking, except in designated areas, at District Recreational Facilities.

Dear Mr. Winquest and Board of Trustees,

The League to Save Lake Tahoe (League) appreciates the opportunity to comment on the Incline Village General Improvement District's (IVGID) consideration of a resolution banning smoking at recreational facilities. The League is dedicated to protecting and restoring the environmental health, sustainability and scenic beauty of the Lake Tahoe Basin and supports the implementation of local laws and regulations that advance our mission. We strongly support IVGID's proposed no-smoking resolution.

Cigarettes are the most commonly littered items in the world, the U.S., Nevada, California and here at Lake Tahoe. Two-thirds of the trillions of cigarette filters manufactured each year are thrown into the environment, where they leach nicotine, heavy metals and toxic chemicals into the environment before degrading into microplastic pollution, which persists in the environment indefinitely.

Cigarette filters ("butts" or "ends") are made of a plastic called cellulose acetate. These plastic filters store some of the chemicals that smokers inhale – not enough to protect the health of smokers, but enough to harm the health of the environment. When filters are littered, not only the plastic they are made of, but also the nicotine, heavy metals, and many other chemicals they've absorbed, slowly disperse into the surrounding environment. Although the water quality impacts have not yet been quantified specific to Tahoe, the large quantity of discarded butts may allow leachates to affect the quality of our world-class drinking water supply. Research has shown that fish are particularly impacted by cigarettes. When cigarette filters find their way into water systems, they can resemble food fish eat, like insects. Filters can directly poison fish, and because plastic is not easily digestible, it can remain within the animal, reducing its stomach capacity and causing it to starve. Additionally, preliminary studies show that the toxins such as nicotine, pesticide residues and metals that seep from cigarette filters into aquatic ecosystems affect water quality and poison fish and microorganisms.

Discarded cigarettes also cause devastating wildfires, which are an increasingly common threat to Tahoe. Our pets are also in danger of eating improperly discarded cigarette filters which can harm them in the same manner as wild animals. A recent study also found that cigarette filters can also inhibit plant growth.

A littered cigarette filter's effects on water quality, animals and plants lasts as long as the plastic strands remain in the environment – up to 10 years. The plastic strands that the filters are made of are not biodegradable; instead, they break down into tiny pieces after exposure to UV radiation from the sun becoming microplastics.

Vaping also presents a threat to the health of the Lake. The popularity of vaping is rapidly increasing, and we are starting to see that reflected in our litter cleanups. The disposable pieces of vaping products are often larger pieces of plastic that similarly break down into microplastics and persist in the environment for thousands of years. Vaping products are considered both electronic and hazardous waste.

As the IVGID staff report for the April 1, 2020 Board of Trustees meeting accurately states, “cigarettes, once consumed in public spaces, are often discarded on the ground requiring additional maintenance expenses, diminish the beauty of the Incline Village General Improvement District's recreational facilities, and pose a risk to toddlers due to ingestion; and pose a serious risk to the quality of the of the environment and the risk of pollution to the source of the community potable water supply, Lake Tahoe.”

The League believes in education before regulation as evidenced by our ongoing efforts to reduce and collect improperly discarded cigarette butts. Between 2014 and today, the League and its volunteers removed 119,658 cigarette butts from the Lake Tahoe Basin. In 2019, the League partnered with the Tahoe Water Suppliers Association to launch the “Tahoe Cigarette Disposal Program.” We applied for and received 250 cigarette canisters from Keep America Beautiful and branded them locally with Take Care Tahoe, League and Water Suppliers messaging. So far, we have distributed or installed 119 canisters in the Tahoe Basin and in Truckee, including 16 in Incline Village¹, free of charge. We plan to distribute the rest of the canisters in 2020/21 based on needs assessments and requests, and would like to provide IVGID with more.

Relevant to IVGID's proposed resolution, many of the cigarette canisters around Tahoe have been installed in transition points near “hot spots” where cigarette litter is present, in coordination with land managers and business owners. This includes areas before or at the entry points to beaches, park areas and business storefronts. Based on preliminary feedback from land managers and business owners and initial review of our tracking data, the canisters that have been installed near beaches have seen heavy use. One nearby example is at Sand Harbor where the League emptied and tracked nine canisters that were installed in mid-August 2019. In one month, there were 2,420 cigarette butts in the canisters, which were strategically placed at the trailheads leading to the beach.

However, these cigarette canisters divert only a small portion of the total amount of cigarette butts from the environment and they cannot be installed onto every inch of our beaches. IVGID's proposed resolution will ensure that almost all the butts will be kept out of our environment and send the message that Tahoe's beaches are not ashtrays.

¹ IVGID's Parks and Recreation Department has seven, Incline Property Management has three and Christmas Tree Village has three.

IVGID has an opportunity to demonstrate local leadership in Lake Tahoe and Nevada while also enhancing rules currently in place on the California side of the Lake. In 2019, California banned smoking and vaping at all state parks and beaches, and smoking bans are in place seasonally on Forest Service lands, including many recreation areas in Tahoe. Additionally, over 25 local jurisdictions in California have banned smoking in public places in some manner. IVGID's proposed resolution would address a large geographic gap in coverage of no-smoking rules, which will reduce litter created by improperly discarded filters. The proposed resolution is also forward-looking by addressing all tobacco products, including vaping.

The League encourages the IVGID Board of Trustees to pass the proposed resolution and join the state of California in providing a cleaner, safer and healthier environment for the people, flora and fauna of Incline Village and Lake Tahoe.

Sincerely,



Gavin Feiger
Senior Policy Analyst

References:

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4/1/20 IVGID Board of Trustees Meeting – Item C Public Comment

Interim General Manager Winquest make a good decision to restrict beach access to picture pass holders during this pandemic . The weekend weather has not been as inviting as it was before the restriction was put in place, but even so, I met people who looked at the sign and then asked what it meant. After I explained, they ignored the sign and proceeded onto the beach. Something besides a sign needs to be implemented. Please ask staff to come up with a solution that will protect District employees, but also protect our pass holders from having just too many people on the beach properties. I assume we have power at the beach entrances and either wifi or hardwired network connections; our staff should be able to provide a safe but effective solution that might even allow someone to work from home.

There is no doubt budget decisions are extremely difficult in this period of uncertainty. Any budget discussion should include estimates from the finance director on how the closing of facilities will affect the bottom line both this fiscal year and next. Hopefully the District has put a freeze on all but essential purchases, whether they are budgeted or not, until we have a better idea of the revenue losses. I believe we should be prepared to trim the budget by whatever revenues we had expected to receive in the next 6 months. We can always augment the budget if it appears we are “out of the woods”, but most financial experts predict the pandemic to impact businesses at least through the summer months.

The board is being asked for feedback/approval of a capital budget plan without seeing the project summary sheets for the newly proposed items. Without these, any direction from the Board is just throwing darts. And the notion of saddling our property owners with any long term commitment like bonding or leases, needs to be delayed.

Please have staff provide you with more details on capital projects and budget projections that reflect closure of our facilities for an extended period of time. We all hope the situation improves quickly, but we need to be prepared.

Judith Miller

Public Comments - Board of Trustees Meeting April 1, 2020

By Clifford F. Dobler

Salient points regarding the five year capital plan

- The capital project summary for each project is intended to guide citizens and this Board with accurate information. However they are incomplete, lack history and do not comply with Board Policy 12.1. One Example is the Water Safety and Security Improvements. This project is to install safety ladders on the District's 13 water tanks. Since fiscal year 2017, other than increasing the budget, the project summary has not changed. The ladders for all 13 tanks was bid in March 2019, however, a contract was awarded for only 10 tanks and the remaining 3 tanks bid at \$100,000 were excluded. In the current 2021 budget \$250,000 is budgeted for the last 3 tanks which was bid for \$100,000 last year. Why? None of this information was disclosed.
- The Beach fund does not have a balanced budget. The Burnt Cedar Pool will receive \$225,000 for design in 2021 and another \$2,700,000 for construction in 2022. One small problem, there is a lack of \$1,500,000 in money to actually complete this project.
- There is \$300,000 committed as a carry over for the Pump Track. This again is in violation of Board Policy as no public money should be committed for a donor financed project until donor money is firmly established by a Memorandum of Understanding. This carryover should be removed. The main donors are dead and the project is a failure.
- There remains a budget carryover amount of \$682,600 of a \$750,000 three year budget creep beginning in fiscal year 2015 for the failed Diamond Peak Master Plan. The construction for the first two phases were in the five year plan for the last five years has been removed from this current five year plan. This carryover should be removed. Started in 2014 nothing has been done and will not be done until after 2025. Seriously!
- The installation of traffic roundabouts on Skiway which were on the five year plan for several years have been removed. The Board approved this project several years ago. The roundabouts were described as necessary to increase safety standards.
- The distortions created by Mr. Eick by removing two 2019 carryover amounts of \$430,000 for the Utility Fund Vector Truck and \$1,409,000 for the Incline Park Ball Fields has drastically effected the 2019 CAFR and the 2019 Capital Projects Report (pages 42-46).
- There has been a tremendous cost overrun on the Ball Fields. The total costs now stand at \$1,561,851 and the project is **not yet complete**. The Board of Trustees has, to my knowledge, NOT been informed of the cost overruns and whether or not they will be reimbursed by the Incline Tahoe Foundation.
- Last but not least, the design of a simple building at Incline Beach has become a major fiasco. This project was a grand priority in 2016 and Staff rushed to issue a \$221,000 contract to design a Taja Mahal which was stopped, then the engineering department made a feeble design attempt, and now a future committee and \$100,000 budget for a new design is planned for 2021 but no plan to construct anything until after 2025 .
- **IVGID at its best.**

April 1st, 2020 IVGID Board of Trustees Meeting Public Comments
By: Linda Newman – To be included with the Meeting Minutes

In this District, facts appear to be dangerous things –that must be why complete and accurate information is absent from most of the contents of tonight’s Board packet. In the General Manager’s report, I have learned that the Board put a hold on taking action on Phase II of the Effluent Pipeline and the liner for the Emergency Effluent Storage Pond. Actually, after the Board directed the GM to recommend an independent project management firm to take over both projects, the GM said he misunderstood the instructions and subsequently directed two Trustees to work with Staff to write up a scope of work. I find it problematic that there is no update on the status of a scope of work for our vital infrastructure. Considering that Staff has delayed taking action for more than 5 years on the pond and has missed their own deadlines on actually replacing or remediating all 6 miles of our failing pipeline – why is there further delay?

At a time when we are confronted with threats to our community’s health and safety and our District’s financial sustainability, why are we presented with a 2021 CIP budget, 5 year capital plan, and Stress Test that is not only littered with factual inaccuracies – but is completely oblivious to the new realities we are facing with an economic slowdown, social distancing, and a downturn in tourism –in addition to the hardships faced by our property owners and local businesses, utility rate customers, payers of Recreation and Beach fees and all those who pay additional charges to use our recreational facilities. Do not waste our Trustees time on this and bring back to the Board the best and worst case scenarios for the Operating and Capital Budgets –the very scenarios that the GM stated in his report that the District is working on. And, direct Staff to request an extension to file the tentative budget –so that you have adequate time to review and submit a realistic and achievable budget.

I strongly urge you to direct the Audit Committee to review the change in accounting for the Community Services and Beaches from governmental to proprietary enterprise fund accounting and reporting. I ask you to do so, not because there is a choice, but because it is mandatory for our District to comply with the law. And the law requires we comply with Generally Accepted Accounting Principles. GASB 34 Paragraph 67 requires that these funds must be Enterprise funds because: The pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service). That is why we pay a Rec and Beach Fee and additional user fees and charges for all our recreational and beach activities. If our current Management believes otherwise, please request they put it in writing. Remember, our Auditor relies upon Management’s representations and has not provided an independent opinion with their own independent analysis.

April 1, 2020 IVGID Board of Trustees Meeting Public Comment
By Margaret Martini – To be included with the Minutes of the Meeting

In the best of times we are all heroes. We are geniuses in real estate and stock investments during bull markets and local governments can count on rising property tax revenues and fees and charges for services to cover operational inefficiencies, errors in judgments, and grand spending plans. Now, we are confronted with a pandemic that not only threatens our health and safety but lays bare our District's vulnerability to a significant decline in revenues from taxes and rates, fees and charges for services. Our costs for running the District has outpaced our revenues through a booming economy and an increase in tourism. They cannot be sustained in a major economic downturn with no certainty on how long the pandemic and fall out will last.

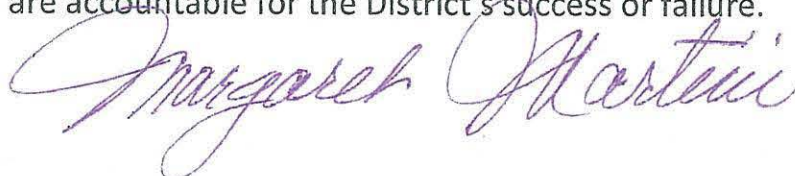
We have deferred maintenance on our facilities, we have delayed implementing our community's top priorities, stalled on building reserves in our utility fund and continued to postpone taking action on replacing the 6 miles of our effluent pipeline as well as lining our emergency storage pond.

During this crisis, you can take action to correct past mistakes and exercise strong leadership. Begin by directing staff to deliver you line item budgets and 2021 operating and capital budget that recognizes the new reality we are all facing.

Request our new Finance Director provide you with a manual for internal controls and the proper way we should be accounting and reporting our funds to comply with the law and our own Board policies and practices. End the punch card utilization scheme that double books revenues and unlawfully transfers money from Community Services to the Beaches and defrauds Crystal Bay property owners who cannot legally use the beaches.

Fill the deficits in Senior Level Staffing by engaging the independent experts you and our Interim General Manager need to professionally manage our District's government and business operations and capital needs.

We can no longer run our vital infrastructure to failure, pretend to have reserves we do not have, nor sustain costs that far exceed our revenues. We are in a crisis and you as a Board have a statutory and fiduciary responsibility to take the reins and lead. As our Trustees, you are accountable for the District's success or failure.



April 1, 2020 IVGID Board of Trustees Meeting Public Comment
By Margaret Martini- to be included with the minutes of the meeting

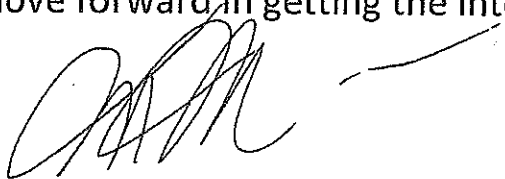
I would like to address Mr. Morris' comments about the qualifications for the audit committee. Some of his comments were absurd and insulting and inappropriate. The community members who have expressed concerned do not have animosity "against the district" but are very concerned and highly qualified residents who are concerned about the processes involved in the financial matters of our district.

Please keep in mind those community members have a vested interest in how monies are spent by the district. Mr. Morris also seems fearful of using qualified and concerned citizens who will be looking into past accounting processes as well as moving forward with using the knowledge of members who have expertise in financial practices, which by the way this area seems to get the most community complaints and certainly concerns. Mr. Morris seems to stick to the "same old dig heels in the sand and kick the can down the road "and NOT have an internal audit. WHY NOT !!?? That is just good business sense when there are obviously concerns for many years. What does Mr. Morris fear? Why is he so vehemently opposed to outside consultants?

Where has Mr. Morris been?? He proclaims that he has not any knowledge of community complaints that have come to Mrs. Schmitz from the community. He has been on the board for over 3 years. He must not have been paying attention at any of the meetings. The complaints have been loud and clear and obviously fallen on his deaf ears.

He is obviously not very astute in matters of financing and accounting based on his personal past business endeavors so he is one of the least qualified board members to have input as to financial processes.

Let's move forward in getting the internal audit and qualified consultants.



WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS APRIL 1, 2020 REGULAR IVGID BOARD MEETING – AGENDA ITEM C – PUBLIC COMMENT – BECAUSE STAFF SEE IVGID AS BEING NOTHING MORE THAN A SERIES OF COMMERCIAL “FOR PROFIT” BUSINESSES RATHER THAN THE LIMITED PURPOSE LOCAL GOVERNMENT IT REALLY IS, THEY FEEL IT PERFECTLY ACCEPTABLE TO SPEND OVER \$400,000 ANNUALLY ON BANK FEES PAID TO PROCESS CREDIT CARD CHARGES IN LARGE PART MADE BY THE WORLD’S TOURISTS. BECAUSE I DON’T, I ASK THAT THE IVGID BOARD *REDUCE* THE DISTRICT’S PROPOSED 2020-21 COMMUNITY SERVICES/BEACH FUNDS’ BUDGETS BY A MINIMUM OF \$405,336 TO FORCE STAFF TO MODIFY ITS BEHAVIOR.

Introduction: One of my complaints with the way our district is and has been administered is that when you own/operate commercial “for profit” businesses (which is exactly what IVGID staff does), you do all of the things private sector businesses do. And one of those things is accepting credit cards for purchases made at your businesses. And when most of your purchasers are made by non-residents, it means that most of those purchasers are made with non-resident credit cards.

However when you administer a local government (which is exactly what IVGID is), there is no need to accept credit cards for purchases; especially credit cards belonging to the world’s tourists. Or in the alternative if there is, you accept those cards but you charge those using credit cards additional convenience fees to make up for the cost of any bank fees associated with that use¹.

So when you don’t understand the difference between government and business, and for this reason you don’t assess convenience fees on the purchases your customers make with credit cards, the public as a whole is required to absorb those fees which is what IVGID does. And here those fees exceed a whopping \$400,000 annually! And that’s the purpose of this written statement.

Initially, Let’s Understand Exactly What IVGID Is: We’ve had this discussion before. IVGID staff want the Board and the public to believe the District is some sort of a “quasi-public agency.”² In other words, some hybrid between local government and commercial business. However nothing could be further from the truth. NRS 318.075(1) instructs that once created, general improvement districts (“GIDs”) are “governmental subdivision(s) of the State of Nevada...body corporate(s) and politic and a quasi-municipal corporation(s).”

¹ Take a look at IVGID’s water/sewer utility billings. Although customers are permitted to “pay by credit card or eCheck,” that payment is “subject to service fees...EChecks will be charged a flat rate of \$1.50 per transaction and credit cards will be charged a service fee of 2.45% with a \$2.00 minimum transaction amount” (go to <https://www.yourtahoeplace.com/public-works/rates-billing/rates-reading-your-bill>).

² Go to <https://www.yourtahoeplace.com/ivgid/about-ivgid>.

Not Only is Does Staff Tell the Public IVGID is a Series of Commercial Business Enterprises, it's a Series of NOT "For Profit" Businesses: Each year staff budget to overspend close to \$7 million. This overspending is masked by inartfully labeled subsidies known as the Recreation ("RFF") and Beach ("BFF") Facility Fees. Although I have demonstrated this many times before, for those not familiar let's go over the facts one more time.

Take a look at the District's current budget³ for its Community Services (aka "recreation") and Beach Special Revenue Funds. Pages 17-18, Schedules B-12 and B-13 (copies of these pages are attached as Exhibit "A" to this written statement) set forth budgeted revenues and expenses assigned to the District's Community Services Special Revenue Fund. Page 19, Schedule B-14 (a copy of this page is attached as Exhibit "B" to this written statement) sets forth budgeted revenues and expenses assigned to the District's Beach Special Revenue Fund. Although revenues and expenses for both funds balance one-another, in order for this to have occurred in the District's Community Services Special Revenue Fund it had to include \$5,783,115 of "Facility Fee" revenue (note the asterisk placed next to this number on Exhibit "A"), and it had to draw down \$4,037,091 [the difference between a beginning fund balance of \$13,183,167 and an ending one of \$9,146,076 (note the asterisks placed next to both of these numbers on Exhibit "A")]. And in order for this to have occurred in the District's Beach Special Revenue Fund, it had to include \$968,500 of "Facility Fee" revenue (note the asterisk placed next to this number on Exhibit "B"), and draw down \$625,729 [the difference between a beginning fund balance of \$1,748,171 and an ending fund balance of \$1,123,442 (note the asterisks placed next to both of these numbers on Exhibit "B")]. In other words, *both funds evidence massive overspending and rely upon the involuntary subsidy of our Rec Fee.*

So Let's Understand IVGID is Losing Nearly \$7 Million Annually Selling the Public's Recreational Facilities to the World's Tourists, and That These Losses Are Being *Involuntarily* Subsidized by Local Parcel/Dwelling Unit Owners:

And Let's Understand That When You Overspend, Essentially *Every* Expenditure You Make Contributes to That Overspending: In other words, it's disingenuous to "cherry pick" which expenditures are being subsidized, and which ones are not. *They all are!*

On March 17, 2020 I Made a Public Records Request to Examine Records Evidencing One of Those Expenditures – Credit Card Bank Processing Charges: A copy of that request along with Susan Herron's March 18, 2020 responses are attached as Exhibit "C" to this written statement.

What I Learned is That For 2020-21 Staff Are Requesting Approval of a Budget Which Spends \$405,336 on Credit Card Bank Processing Charges: As you can see from Exhibit "C," Ms. Herron provided me with a file which evidences actual 2017-18 and 2018-19 expenditures on credit card bank

³ Go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/2019-20_Operating_Budget.pdf ("the 2019-20 Budget"). Pages 17-18, Schedules B-12 and B-13 (copies of these pages are attached as Exhibit "A" to this written statement)

processing charges, as well as 2019-20 and 2020-21 budgeted credit card bank processing charges⁴. And what it reveals is that for 2018-19, the District *actually spent* \$400,985 on credit card bank processing charges. And that for 2020-21, staff propose budgeting \$405,336 on credit card bank processing charges.

If the Board and the Public Buy Into Staff's Narrative That \$405,336 of Credit Card Bank Processing Charges Are a Legitimate Expenditure For IVGID to Be Making, Then You Have Bought Into the Narrative Essentially Every Endeavor IVGID Undertakes and Every Expense it Makes in Pursuit Thereof is Justified: And this is because you're wrongly thinking of IVGID as the equivalent of a private commercial business rather than the local government it really is.

But GIDs Are Not Authorized to Operate Public Recreation Facilities as Commercial "For Profit" Business Enterprises: We've had this discussion before. Although IVGID is government, it's not government like a city, county or town. Because Nevada has adopted *Dillon's Rule*⁵ [*Ronnow v. City of Las Vegas*, 57 Nev. 332, 341-43, 65 P.2d 133 (1937)], IVGID only possesses *limited* or "quasi municipal" powers⁶. In other words, those *limited* to the ones expressly enumerated as "one or more of those authorized in NRS 318.116" with the *proviso* they must actually be granted in IVGID's initiating⁷ and supplemental⁸ (if any) ordinance(s) "as (further) supplemented by the sections of... chapter (NRS 318) designated therein,"⁷ and no others⁹.

So let's look at NRS 318.116 to see what basic powers can be granted to GIDs in the statute's *express words*. The closest which would permit staff to operate a public recreational facility as if it were a commercial "for profit" enterprise would appear to be NRS 318.116(14): "furnishing recreational facilities, as provided in NRS 318.143." And since NRS 318.143(1) is expressly mentioned, let's examine its *express words*:

⁴ That file is attached as Exhibit "D" to this written statement.

⁵ *Dillon's Rule* declares "that a municipal corporation possesses and can exercise...those...powers... granted in *express words*...those *necessarily or fairly implied* in or *incident* to the powers expressly granted (and)...those *essential* to the accomplishment of the declared objects and purposes of the corporation – not simply convenient, *but indispensable*...(Should there be) any fair, reasonable, substantial doubt concerning the existence of power is resolved by the courts *against* the corporation, and...*all acts beyond the scope of the powers granted are void*" (*Ronnow, supra*, at 57 Nev. 343).

⁶ "A municipal corporation possesses no powers or faculties not conferred upon it, either expressly or by fair implication, by the law which created it, or by other laws, constitutional or statutory, applicable to it" (*Ronnow, supra*, at 57 Nev 338).

⁷ See NRS 318.055(4)(b).

⁸ See NRS 318.077.

⁹ See A.G.O. 63-61, p.103 (August 12, 1963) and *Ronnow, supra*, at 57 Nev. ["it is a general and undisputed proposition of law that a municipal corporation possesses and can exercise the... powers (specified above⁷), and no others"].

“Subject to the provisions of subsection 2 (which are not applicable insofar as the subject examination is concerned), the board may acquire, construct, reconstruct, improve, extend and better lands, works, systems and facilities for recreation.” And NRS 318.143(3) states that: “Such recreational facilities may include without limitation exposition buildings, museums, skating rinks, other type rinks, fieldhouses, sports arenas, bowling alleys, swimming pools, stadiums, golf courses, tennis courts, squash courts, other courts, ball fields, other athletic fields, tracks, playgrounds, bowling greens, ball parks; public parks, promenades, beaches, marinas, levees, piers, docks, wharves, boat basins, boathouses, harborages, anchorages, gymnasiums, appurtenant shower, locker and other bathhouse facilities, amusement halls, dance halls, concert halls, theaters, auditoriums, aviaries, aquariums, zoological gardens, biological gardens and vivariums (or any combination thereof).”

Do you see where the *express words* of either NRS 318.116(14) or 318.143 state that GIDs can be granted the basic power to operate their recreational facilities as commercial “for profit” business enterprises? I don’t. Do you?

Might operating the public’s recreational facilities as if they were commercial business enterprises be a basic power which is *essential* to the accomplishment of IVGID’s declared objects and purposes – not simply convenient but *essential*? I don’t think so.

Might operating the public’s recreational facilities as if they were commercial business enterprises be a basic power *necessarily* or *fairly implied* in or *incident* to...powers expressly granted? Or might it be a power “necessary or incidental to or implied from (another) specific power...granted in...chapter” NRS 318¹⁰? Again, I don’t see so.

However, assuming *arguendo* there is some doubt in your mind as to whether public recreational facilities can be operated as if they were commercial “for profit” business enterprises, we can look to the last portion of *Dillon’s Rule*⁵ for guidance:

Where there is “fair, reasonable (or) substantial doubt concerning the existence of power,” that doubt “is (to be) resolved...*against* the corporation, and...*all acts beyond the scope of the powers granted are void.*”

In other words, because of the lack of reasonable doubt, if not otherwise, IVGID does not have the power to operate public recreational facilities as if they were commercial “for profit” business enterprises. Consequently accepting credit cards subject to bank processing charges, a commercial “for profit” business enterprise mainstay, should not be allowed.

¹⁰ See NRS 318.210 assuming *arguendo* it is a section which supplements a GID’s powers.

According to staff, since IVGID is in direct competition with private sector recreation businesses, we must do what they do. Well I'm sorry, that's not a good enough. Just because these kinds of activities are appropriate for privately owned commercial business enterprises, doesn't mean they are appropriate for government. And because IVGID staff are in denial that we're government, inappropriate conduct like this plagues staff's activities.

Given the Stated Purposes of Our RFF/BFF Are *Not* to Pay the Processing Costs of Credit Card Charges, the Subsidy of Budgeted RFFs/BFFs Should be Reduced by a Like Amount: We've had this discussion before. According to Staff the RFF/BFF represent NRS 318.197(1) standby services charges for the availability of services offered at the district's recreational facilities¹¹. Do credit card processing fees represent a serviced offered by IVGID at public recreational facilities? Since the answer is no, continued use of the RFF/BFF to subsidize this cost should be terminated. Which means the RFF/BFF should be reduced by a comparable amount.

It's Not Just Credit Card Processing Charges: According to local resident Joy Gumz, staff spent over \$400,000 of the RFF/BFF on staff food and beverage over the last five (5) years. And if staff provided line item budgeting of services and supplies expenses, I am certain the public would discover a plethora of additional similar expenditures.

Conclusion: In addition to massive capital costs, Staff propose assessing local parcel/residential dwelling unit owners at least \$405,336 in operational overspending to subsidize credit card processing charges. This means Staff must generate a minimum of \$405,336 in revenues from the public's various recreational facilities just to cover the costs of credit card processing!

Staff attempt to mask this truism when it comes to payment of our water/sewer utility rates with a credit card. Just listen:

"Why is there a service fee when paying with Online Account Access?

The payment processor and your credit card collect these fees. IVGID does not collect this fee or any of the revenue."¹¹

If this is true, ***why doesn't the "payment processor and your credit card collect these fees" when a purchase at any of our recreational facilities is made by credit card?***

Did our Board and Staff ever stop to realize that if we weren't in the commercial "for profit" recreation business, we wouldn't have to incur operational expenses such as credit card processing charges? So the simple answer to the question of how to reduced our operational expenses is to ***GET OUT OF THE COMMERCIAL "FOR PROFIT" RECREATION BUSINESS!***

¹¹ See pages 250-262 of the packet of materials prepared by staff in anticipation of the Board's regular May 22, 2019 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_5-22-19.pdf ("the 5/22/2019 Board packet")] in general, and ¶I at page 259 of the 5/22/2019 in particular.

And since it's against the interests of our 1,012 or more employees¹² to eliminate the jobs required when operating commercial "for profit" businesses, they will never, never eliminate expenditures such as these. So we have to do it for them. And how is that?

REDUCE THE SUBSIDY OF THE RFF/BFF BY A LIKE AMOUNT and direct staff it figure out how to get by.

And to those asking why your RFF/BFF are as high as they are, and never seem to be reduced, now you have another example of the reasons why.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

¹² Go to <https://transparentnevada.com/salaries/2019/incline-village-general-improvement-district/>.

EXHIBIT "A"

EXPENDITURES	(1)	(2)	(3) BUDGET YEAR ENDING 08/30/20	
	ACTUAL PRIOR YEAR ENDING 6/30/2018	ESTIMATED CURRENT YEAR ENDING 6/30/2019	TENTATIVE	FINAL
			APPROVED	APPROVED
Championship Golf Course				
Salaries and Wages	1,450,745	1,495,000	1,592,508	1,592,508
Employee Benefits	378,678	425,000	512,154	512,154
Services and Supplies	2,226,279	2,301,600	2,587,477	2,598,977
Capital Outlay	-	-	613,782	653,200
Subtotal Championship Golf Course	4,055,702	4,221,600	5,305,921	5,356,839
Mountain Golf Course				
Salaries and Wages	327,821	380,000	372,113	372,113
Employee Benefits	88,958	110,000	115,629	115,629
Services and Supplies	555,392	510,800	540,035	540,135
Capital Outlay	-	-	1,541,238	2,420,700
Subtotal Mountain Golf Course	972,171	1,000,800	2,569,015	3,448,577
Facilities (Chateau and Aspen Grove)				
Salaries and Wages	80,095	86,000	89,488	89,488
Employee Benefits	36,460	43,000	47,157	47,157
Services and Supplies	330,241	394,600	412,290	412,390
Capital Outlay	-	-	180,400	180,400
Subtotal Facilities	448,797	523,600	729,335	729,435
Ski				
Salaries and Wages	2,767,963	3,043,000	2,970,495	2,970,495
Employee Benefits	847,817	950,000	985,297	985,297
Services and Supplies	3,408,547	3,762,000	3,662,826	3,609,576
Capital Outlay	-	-	2,482,166	2,770,850
Subtotal Ski	7,024,327	7,755,000	10,100,784	10,336,218
Community Programming (Including Rec Center)				
Salaries and Wages	1,093,852	1,112,000	1,164,024	1,164,024
Employee Benefits	319,199	335,000	368,533	368,533
Services and Supplies	819,054	862,300	948,366	942,566
Capital Outlay	-	-	413,700	468,650
Subtotal Community Programming	2,232,105	2,309,300	2,894,623	2,943,773
Parks				
Salaries and Wages	332,157	327,000	345,389	345,389
Employee Benefits	71,527	80,000	85,289	85,289
Services and Supplies	414,614	429,600	459,201	460,601
Capital Outlay	-	-	880,252	1,028,752
Subtotal Parks	818,298	836,600	1,770,131	1,920,031
Tennis				
Salaries and Wages	120,151	139,000	139,281	139,281
Employee Benefits	19,854	27,500	29,131	29,131
Services and Supplies	88,525	99,200	102,011	102,011
Capital Outlay	-	-	793,500	1,363,950
Subtotal Tennis	228,530	265,700	1,063,923	1,634,373
Community Services Administration				
Salaries and Wages	144,815	135,000	183,759	183,759
Employee Benefits	41,518	43,000	60,652	60,652
Services and Supplies	171,165	189,000	199,660	199,660
Capital Outlay	-	-	-	-
Subtotal Comm. Serv. Administration	357,498	367,000	444,071	444,071
Debt Service - G.O. Revenue Supported Bond				
Principal	-	-	355,188	355,188
Interest	-	-	29,166	29,166
Subtotal Debt Service	-	-	384,354	384,354
Subtotal - Comm. Services Expenditures	16,137,428	17,279,600	25,262,157	27,197,671
Transfers Out	4,960,341	4,241,577	-	-
ENDING FUND BALANCE	10,645,469	13,183,167	10,453,105	9,146,076
TOTAL COMMITMENTS & FUND BALANCE	31,743,238	34,704,344	35,715,262	36,343,747

Incline Village General Improvement District

Community Services Special Revenue Fund

Note prior to July 1, 2019 Capital Outlay and Debt Service were reported under separate funds.

Page: 18
Schedule B-13

REVENUES	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/20	
	ACTUAL PRIOR YEAR ENDING 6/30/2018	ESTIMATED CURRENT YEAR ENDING 6/30/2019	TENTATIVE	FINAL
			APPROVED	APPROVED
Charges for Services				
Championship Golf Course	3,765,419	4,130,000	4,516,321	4,516,321
Mountain Golf Course	630,214	700,000	678,573	678,573
Facilities (Chateau & Aspen Grove)	355,698	410,000	420,793	420,793
Ski	9,155,646	11,700,000	9,222,320	9,222,320
Community Programming	1,289,953	1,305,000	1,285,209	1,285,209
Parks	48,910	55,000	62,178	62,178
Tennis	145,197	159,000	156,100	156,100
Recreation Administration	(758,481)	(725,000)	(748,600)	(748,600)
Subtotal Charges for Services	14,632,554	17,734,000	15,592,894	15,592,894
Facility Fee				
Championship Golf Course	795,437	804,000	976,157	976,157
Mountain Golf Course	505,878	517,000	689,052	689,052
Facilities (Chateau & Aspen Grove)	458,325	467,000	524,992	524,992
Ski	220,978	238,000	(336,323)	(336,323)
Community Programming	1,293,131	1,305,000	1,574,976	1,574,976
Parks	957,571	968,000	992,563	992,563
Tennis	163,687	164,000	196,872	196,872
Recreation Administration	1,374,975	1,321,000	1,164,826	1,164,826
Subtotal Facility Fees	5,789,982	5,784,000	5,783,115	5,783,115
Other miscellaneous				
Operating Grants	17,000	17,000	17,000	17,000
Investment income	69,303	69,000	50,000	50,000
Sale of Assets	85,562	-	-	-
Interfund services (green spaces)	74,014	77,000	98,210	98,210
Intergovernmental (IV high school fields)	20,220	18,000	23,400	23,400
Miscellaneous other & Cell Tower Leases	109,462	118,000	110,361	110,361
Capital Grants	-	-	486,000	623,800
Insurance proceeds	-	-	300,000	300,000
Subtotal Other Miscellaneous	375,561	299,000	1,084,971	1,222,771
Subtotal	20,778,097	23,817,000	22,460,980	22,598,780
OTHER FINANCING SOURCES (specify)				
Transfers In (Schedule T)	645,000	241,875	561,800	561,800
BEGINNING FUND BALANCE				
Prior Period Adjustments				
Residual Equity Transfers				
TOTAL BEGINNING FUND BALANCE	10,320,141	10,645,469	12,692,482	13,183,167
TOTAL AVAILABLE RESOURCES	31,743,233	34,704,344	35,715,262	36,343,747

Incline Village General Improvement District

Community Services Special Revenue Fund

EXHIBIT "B"

REVENUES	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/20	
	ACTUAL PRIOR YEAR ENDING 6/30/2018	ESTIMATED CURRENT YEAR ENDING 6/30/2019	TENTATIVE APPROVED	FINAL APPROVED
Charges for Services	1,266,613	1,450,000	1,488,800	1,488,800
Facility Fees	967,414	959,500	968,500	968,500
Investment Income	2,288	13,500	22,500	22,500
Sales of capital assets	857	-	-	-
Capital Grants	-	-	150,000	-
Subtotal	2,237,172	2,433,000	2,629,800	2,479,800
OTHER FINANCING SOURCES:				
Operating Transfers In (Schedule T)	95,000	13,125	-	-
BEGINNING FUND BALANCE				
Prior Period Adjustment(s)				
Residual Equity Transfers				
TOTAL BEGINNING FUND BALANCE	1,070,237	1,413,091	1,729,521	1,749,171
TOTAL RESOURCES	3,342,409	3,859,216	4,359,321	4,228,971
EXPENDITURES				
Salaries and Wages	748,538	820,000	932,898	932,898
Employee Benefits	182,791	200,000	240,804	240,804
Services and Supplies	688,417	879,600	931,087	935,488
Capital Outlay	-	-	859,600	990,050
Debt Service - G.O. Revenue Supported Bond				
Principal	-	-	5,812	5,812
Interest	-	-	477	477
Subtotal	1,619,746	1,899,600	2,970,678	3,105,529
OTHER USES				
CONTINGENCY (not to exceed 3% of total expenditures)	-	-	-	-
Transfers Out (Schedule T)	309,572	210,445	-	-
ENDING FUND BALANCE	1,413,091	1,749,171	1,388,643	1,123,442
TOTAL COMMITMENTS & FUND BALANCE	3,342,409	3,859,216	4,359,321	4,228,971

Incline Village General Improvement District

Beach Special Revenue Fund

Note prior to July 1, 2019 Capital Outlay and Debt Service were reported under separate funds.

Page: 19
Schedule B-14

FORM 4404LGF

Last Revised 11/30/2018

EXHIBIT "C"

RE: Assistance With Public Record Examination - Bank Credit Card Processing Charges Incurred in 2019-2020 and Budgeted For 2020-21 - Follow Up

From: "Herron, Susan" <Susan_Herron@ivgid.org>
To: "s4s@ix.netcom.com"
Cc: "Winqest, Indra S." <ISW@ivgid.org>
Subject: RE: Assistance With Public Record Examination - Bank Credit Card Processing Charges Incurred in 2019-2020 and Budgeted For 2020-21 - Follow Up
Date: Mar 18, 2020 2:25 PM

Yes.

From: s4s@ix.netcom.com [mailto:s4s@ix.netcom.com]
Sent: Wednesday, March 18, 2020 2:12 PM
To: Herron, Susan <Susan_Herron@ivgid.org>
Cc: Winqest, Indra S. <ISW@ivgid.org>
Subject: RE: Assistance With Public Record Examination - Bank Credit Card Processing Charges Incurred in 2019-2020 and Budgeted For 2020-21 - Follow Up

Thank you. Are you telling me nearly \$400K annually (which would be the actual 2018-19 costs as well as estimated 2020-21 costs)?

-----Forwarded Message-----

From: "Herron, Susan"
Sent: Mar 18, 2020 1:36 PM
To: "s4s@ix.netcom.com"
Cc: "Winqest, Indra S."
Subject: RE: Assistance With Public Record Examination - Bank Credit Card Processing Charges Incurred in 2019-2020 and Budgeted For 2020-21 - Follow Up

Yes, Mr. Katz, I saw it.

I have attached a file to answer your inquiry.

From: s4s@ix.netcom.com [mailto:s4s@ix.netcom.com]
Sent: Wednesday, March 18, 2020 12:37 PM
To: Herron, Susan <Susan_Herron@ivgid.org>
Subject: Re: Assistance With Public Record Examination - Bank Credit Card Processing Charges Incurred in 2019-2020 and Budgeted For 2020-21 - Follow Up

Hello Ms. Herron -

Yesterday (March 17, 2020) I made the records/assistance request below. I just wanted to make sure you didn't overlook the same because it was addressed to Indra (even though you were cc'd).

I don't know how the District is billed for such charges. Does it receive regular invoicing? If so then it should be pretty easy to provide the invoices. If not, then you need to instruct me what to request to examine. Note that recent modifications to the PRA mandate that you assist the public in such regard.

As for budgeted credit card processing charges, I want to examine records evidencing the same for 2020-21. I want to examine records evidencing the chart of account number(s) assigned for such charges.

Thank you for your cooperation. Aaron Katz

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

From: s4s@ix.netcom.com
Sent: Mar 17, 2020 9:21 AM

To: "ISW@ivgid.org"

Cc: "Susan_Herron@ivgid.org"

Subject: Assistance With Public Record Examination - Bank Credit Card Processing Charges Incurred in 2019-2020 and Budgeted For 2020-21

Hi Indra -

I realize you're busy with all that's going on so again I apologize for the distraction.

However, I have another public records question.

I am attempting to learn the amount of credit card processing charges we incurred last fiscal year, and staff are budgeting to incur in the proposed 2020-21 budget. I have gone to IVGID's OpenGov tool and I am not able to determine these numbers. The closest I think I have gotten are bank service charges. But there's no further break down as to for what those charges represent. Are you able to help?

I am copying our Public Records Officer ("PRO") asking for assistance in identifying records which evidence the answers to my questions.

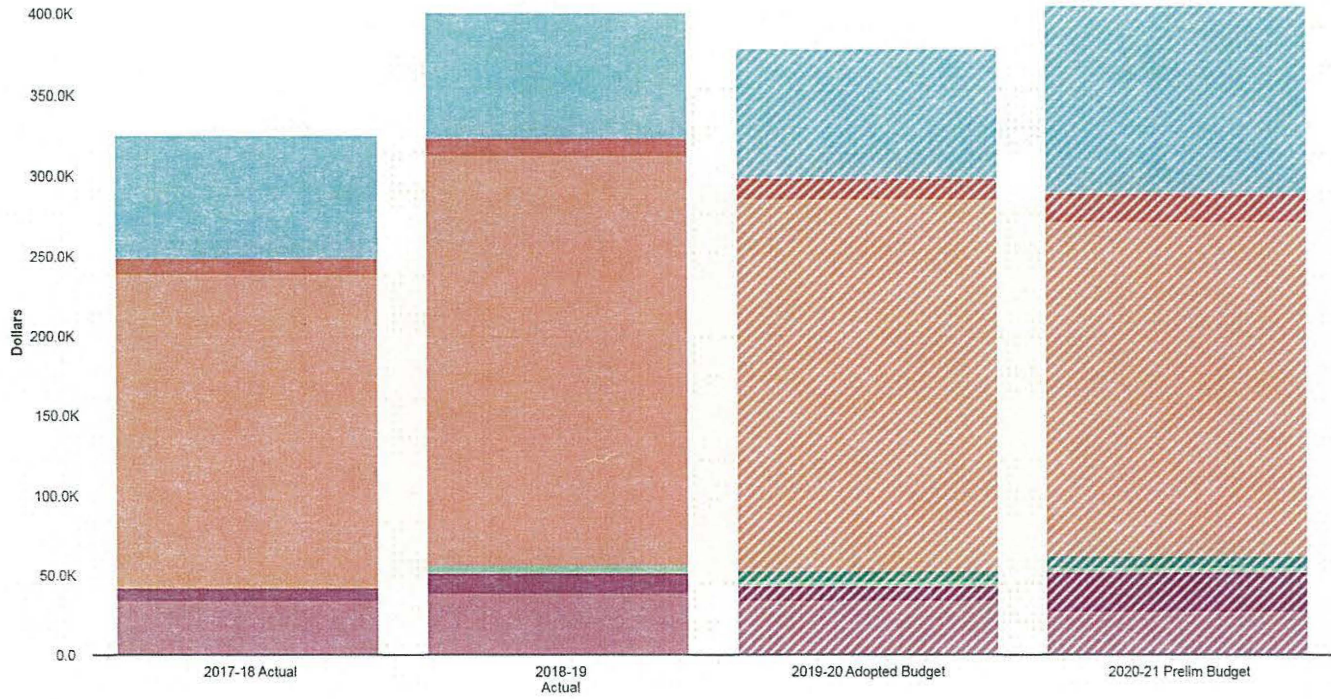
Thank you for your cooperation. Aaron Katz

EXHIBIT "D"

2020/21 Prelim Budget for Board Meeting 3/11/2020

Credit Card Fees

Visualization



Sort By Chart of Accounts

- Championship Course
- Mountain Course
- Diamond Peak Ski Resort
- Snowflake Lodge
- Incline Beach F&B
- Beaches
- Recreation Center

Fiscal Year

Expand All	2017-18 Actual	2018-19 Actual	2019-20 Adopted Budget	2020-21 Prelim Budget
▶ Championship Course	\$ 75,514	\$ 77,012	\$ 79,800	\$ 114,947
▶ Mountain Course	10,705	10,981	13,300	18,010
▶ Diamond Peak Ski Resort	196,478	256,504	233,250	209,905
▶ Snowflake Lodge	0	0	6,300	7,109
▶ Incline Beach F&B	0	4,439	2,900	2,856
▶ Beaches	8,023	12,740	9,800	25,034
▶ Recreation Center	34,515	39,309	34,000	27,475
Total	\$ 325,235	\$ 400,985	\$ 379,350	\$ 405,336

Data filtered by Functions, Banking Fees & Processing and exported on March 17, 2020. Created with OpenGov

DATE	DAY OF THE WEEK	TIME	LOCATION	TYPE OF MEETING - 2020	COMPLETED MEMORANDUMS WITH ALL BACK UP MATERIALS FOR AGENDA ITEMS FROM BOARD MEMBERS DUE DATES	ITEMS SLATED FOR CONSIDERATION
04/14	Tuesday	6 p.m.	Chateau	Regular Board Meeting	04/03/2020 8 a.m.	Consider and approve "tentative" budget filing and preliminary Rec Roll (must happen before 04/15) Utility Rates (Ordinances 2 and 4) Public Hearing and Approval of Revised Ordinances Ski Rental Equipment (General Business)
05/06	Wednesday	6 p.m.	Chateau	Regular Board Meeting	04/27/2020 8 a.m.	Water Reservoir Safety Construction Contract Award Board of Trustees Handbook Audit Committee Charter Board Policy 7.1.0 and Board Practice 7.2.0 (Trustee Dent)
05/06	Wednesday	4 p.m.	Chateau	Audit Committee Meeting	04/27/2020 8 a.m.	Audit Committee Charter
05/07	Thursday	5 p.m.	Chateau	Workshop	04/28/2020 8 a.m.	Budgets
05/27	Wednesday	6 p.m.	Chateau	Regular Board Meeting	05/18/2020 8 a.m.	Public Hearing on final proposed Rec Roll and 2020/2021 Fiscal Year Budget*
06/10	Wednesday	6 p.m.	Chateau	Regular Board Meeting	06/01/2020 8 a.m.	Contract Award for Tennis Center Renovation
06/24	Wednesday	6 p.m.	Chateau	Regular Board Meeting	06/15/2020 8 a.m.	Championship Golf Maintenance Drainage and Washpad Improvement Project Construction Contract Award
07/08	Wednesday	6 p.m.	Chateau – CONFLICT	Regular Board Meeting	06/29/2020 8 a.m.	7/15 or 7/22 are available at the Chateau
07/29	Wednesday	6 p.m.	Chateau	Regular Board Meeting	07/20/2020 8 a.m.	Review and approve District Indebtedness Report including the Five Year Capital Improvement Project Summary and State Forms Arc Flash Project
08/12	Wednesday	6 p.m.	Chateau	Regular Board Meeting	08/03/2020 8 a.m.	
08/26	Wednesday	6 p.m.	Chateau	Regular Board Meeting	08/17/2020 8 a.m.	
09/09	Wednesday	6 p.m.	Chateau - CONFLICT	Regular Board Meeting	08/31/2020 8 a.m.	09/23 is available at the Chateau
09/30	Wednesday	6 p.m.	Chateau - CONFLICT	Regular Board Meeting	09/21/2020 8 a.m.	09/23 is available at the Chateau
10/14	Wednesday	6 p.m.	Chateau	Regular Board Meeting	10/05/2020 8 a.m.	
10/28	Wednesday	6 p.m.	Chateau	Regular Board Meeting	10/19/2020 8 a.m.	
11/11	Wednesday	6 p.m.	Chateau	Regular Board Meeting	11/02/2020 8 a.m.	
11/25	Wednesday	6 p.m.	Chateau	Regular Board Meeting	11/16/2020 8 a.m.	Typically cancelled
12/09	Wednesday	6 p.m.	Chateau	Regular Board Meeting	11/30/2020 8 a.m.	
12/30	Wednesday	6 p.m.	Chateau	Regular Board Meeting	12/21/2020 8 a.m.	Typically cancelled

DATE	DAY OF THE WEEK	TIME	LOCATION	TYPE OF MEETING - 2021	COMPLETED MEMORANDUMS WITH ALL BACK UP MATERIALS FOR AGENDA ITEMS FROM BOARD MEMBERS DUE DATES	ITEMS SLATED FOR CONSIDERATION
01/13	Wednesday	6 p.m.		Regular Board Meeting		
01/27	Wednesday	6 p.m.		Regular Board Meeting		
02/10	Wednesday	6 p.m.		Regular Board Meeting		
02/24	Wednesday	6 p.m.		Regular Board Meeting		
03/10	Wednesday	6 p.m.		Regular Board Meeting		
03/24	Wednesday	6 p.m.		Regular Board Meeting		
04/14	Wednesday	6 p.m.		Regular Board Meeting		
04/28	Wednesday	6 p.m.		Regular Board Meeting		
05/12	Wednesday	6 p.m.		Regular Board Meeting		

Items sitting in the parking lot (to be discussed but (a) not yet scheduled for a specific Regular Board Meeting) or (b) a future Board not on this calendar
RFID Picture Passes – Item for next Strategic Plan or three years from now – software not available nor is infrastructure/hardware
TRPA EIS Contract at Diamond Peak
WCSD Joint Agreement
Split Ordinance (allow 45 days ahead of action)

*Budget approval is required after the third Monday however whatever date is selected, a 10-day notice must be given. Must accomplished no later than June 1, 2020.