

MINUTES

REGULAR MEETING OF MARCH 22, 2023 Incline Village General Improvement District

MEETING MINUTES

The regular meeting of the Board of Trustees of the Incline Village General Improvement District was called to order by Board Vice Chair Sara Schmitz on Wednesday, March 22, 2023 at 5:00 p.m. at the Boardroom, 893 Southwood Boulevard, Incline Village, Nevada.

A. PLEDGE OF ALLEGIANCE*

The pledge of allegiance was recited.

B. ROLL CALL OF TRUSTEES*

On roll call, present were Trustees, David Noble, Sara Schmitz and Michaela Tonking. Trustee Raymond Tulloch arrived at 5:07 p.m.

Members of Staff present was Director of Finance Paul Navazio, Director of Human Resources Erin Feore, Director of Parks & Recreation Sheila Leijon, General Manager Diamond Peak Ski Resort Mike Bandelin and Director of Golf/Community Services Darren Howard. Members of the public physically present were Jim Gately, Cliff Dobler, Aaron Katz, Judith Miller, John Jansen, Mick Homan, Mike Abel, Jack Dalton and others.

C. INITIAL PUBLIC COMMENTS*

Jim Gately read from a prepared statement, which is attached hereto.

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

Aaron Katz submitted a written statement(s). He commented that the basic structure of the Utility Rates is flawed, and so is the basic structure of the budget that Staff proposed for adoption; there is evidence again, and at least seven items are wrong. He continued that the proposed 2023/24 budget is called baseline which means it is premised upon the flaws of previous budgets; these flaws can be fixed by a 0 based budget. He stated that since the category services and supplies varies, the overwhelming majority of inappropriate and unnecessary expenses, and Staff refused to share all of the particulars, he has no clue as to what they are being asked to approve. He continued that since revenue to the internal services funds comes billings to other District departments, Staff has a conflict of interest; yet, Staff refused to share the particulars of their billings so he

has no clue what they are being asked to approve in this fund. He stated for these reasons, it is time for the internal services fund to be dissolved; potentially there could be a savings of 3.1 million dollars. He continued that Staff's allocated central services cost plan is flawed, because rather than complying with NAC regulations, it disingenuously transfers funds from community services beach and utility enterprise funds to pay for overspending in the general funds; now the expenses of public parks and athletic fields, rather than cutting overspending assigned to the general fund, have crept up to expand central services cost transfers. He stated that notwithstanding the Ski, Champ Golf and Mountain Golf sub funds are major and are required by GASB to be separately reported; the District refuses to report them as such, which allows Staff to transfer the positive cash flow from Diamond Peak to the loses in golf. He continued that it is wrong for Staff to create recreation and beach fees first, then budget expenditures to the level of this added revenue, rather than adopting recreation and beach fees based upon any legitimate shortfall; it makes the recreation and beach fees invalid taxes. He stated there is time; instruct Staff to go back to the drawing board and return with a fair and proper budget which fixes all of these flaws.

Judith Miller commented something is amiss when picture pass holder's ski day passes increase anywhere from 40-60% yet picture pass holder daily golf green fees are proposed to increase a measly 5%. She continued that ski has been covering or exceeding both capital and operating expenses in recent years while golf fails to cover even its operating expenses and requires subsidy's from property owners, usually of 2-3 million dollars or more. She stated that she understands no one likes to see fees go up, but it is time to either raise green fees substantially or find a way to cut cost; Mr. Dobler has said in the past that IVGID does not have a revenue problem, it has a spending problem. She continued that if there is no way to cut operating costs, as the Director of Golf/Community Services asserts, then maybe it is time to compare central services and internal services costs to outsourcing. She stated she echoes the Moss Adams findings; actually, they echo her from a few years ago, that the central services cost allocation plan is simplistic. She continued that costs aren't calculated on appropriate and fair basis; for example, accounting would be more appropriately based on the number of transactions and not just the dollar amounts of services and supplies; this could be tracked easily and should be part of the accounting cost distribution. She stated that HR is also allocated in an unfair way based on full time equivalence and ignores the extra work involved in onboarding and off boarding multiple part time and seasonal employees. She referenced the distribution of the 1 million dollars in IT cost and stated it should be figured on something other than full time equivalence and salaries; from her own experience in managing IT, typically departments with engineers and other technical Staff require far less IT support than others. She continued that if there is not already a system to track IT service

requests, it should be implemented; it would allow allocation based on something directly related to the cost of providing IT services. She stated there has been discussion regarding charities and noted that the discussion is really regarding nonprofits; not all nonprofits are charities, especially some of the ones that use the golf course. She continued some of them are; they work selflessly for the benefit of others; it's usually people that have less money or have some other disability.

John Jansen read from a prepared statement, which is attached hereto.

Mick Homan read from a prepared statement, which is attached hereto.

Mike Abel read from a prepared statement, which is attached hereto.

Jack Dalton commented that he listened to what people had to say; he came to the community after he retired for the golf and skiing; two rotator cuffs and two knees later and being 79, he gets \$29.00 and another year of ski is free. He continued that he has not golfed either; he spent a lot of time at 2018, 2020 and 2022 walking around for political parties and candidates. He continued that it is interesting that the people who are not golf club members are upset about the money they have to pay; he is not one of them and does not care, but there are a lot of people who have cash flow and \$500, independent of whatever people have said tonight, is a big number. He referenced his neighbor who does not have a cash flow problem and stated they don't vote for certain candidates because they are potentially asking where the golf is. He stated he is hearing something from the Community; some of the people in the Community that are golf club members have spoken up and they know about them and support the concept of having appropriate charges for the golf. He thanked Trustee Tonking; she showed up today and he made some money because he bet she would be here and he had no inside information.

Kevin McCowan commented that he is in attendance for the specific purpose of addressing the proposed increases in golf rates and mainly the all you can play passes; he has a few questions. He stated he would first like to understand how they got to this place where they may be facing up to a proposed 70% increase in resident golf rates since 2019. He referenced 2019-2022 and asked if increasing golf rates has had any impact on the overall revenue; the answer is no, raising prices is a very small contribution to overall revenue generation. He continued that selling a higher volume of services, products and cost cutting is the most effective strategy; he asked where the reducing of expenses proposal is at. He stated that if price increases did not work to increase revenue during those years, why assume that it will work now; the real issue of running a golf course if that revenue is generated for a short 5 months and the main reason the District is running in a

deficit is primarily from maintaining a significant payroll for 12 months. He continued that payroll went up from an average of 46% of gross revenues between 2018-2020, and then increased dramatically to 53% between 2021-2022, while revenues decreased at the same time. He asked if people think a restaurant, hardware store, hotel or a country club could make money if they were only open 5 months out of the year, but kept the Staff's payroll for 12 months. He continued that country clubs also include weddings, dining, banquets and other ancillary income in total. He stated that he came to Incline Village for the recreational amenities, with golf at the top of the list; many full time residents are retired and are on fix incomes. He stated that over the last few years, it seems that the resident golfing community has been targeted by excessive and unnecessary rate increases. He continued that he believes the District model has always been to prioritize residents with substantially better prices and services over nonresidents. He stated he understands the Board of Trustees is considering different rate hike options to include tier 1, 2 and 3, all you can play golf rates, etc. which is 70% over the 2019 rates; the question is why. He continued that it will result in a significant decrease of people buying those upfront expensive golf plans; the approach is going to backfire and result in a net revenue reduction because people aren't going to spend \$5-6,000.

Denise Davis commented that by not placing a date deadline for purchasing Diamond Peak season passes, money is being left on the table; at least once each ski season, she has been told by a Diamond Peak visitor that they were surprised that they could buy a season pass anytime during the season and the money they unexpectedly saved. She continued that General Manager Diamond Peak Ski Resort Bandelin has brought the lack of a season pass deadline to the attention of the Board of Trustees several times; she asked that his comment be taken under consideration.

Jim Chapman commented that he has been disturbed by the fragmented and inaccurate discussions that have taken place by several of the Trustees regarding the golf operations and facility, especially since it is the only one of numerous community benefit services and assets he enjoys. He continued that he chose to purchase property in Incline Village based on all of the collective services and assets; the idea of having the Trustees wanting to break the community service assets down into individual financial profit centers, rather than viewing them as collective services and assets breaks from the tradition from how Incline Village was founded and developed. He stated that the Community has been well served for over 50 years by maintaining all of the assets, and it can be so in the future too. He stated hopefully they will go back and do a thorough accounting of all of the numbers and put an intelligent piece of information out to the Community for everyone to assess the process; Mr. Homan has done an outstanding job in

relaying some of the discrepancies that were part of the last analysis. He stated he hopes the Trustees will pause, regroup and work at coming together with a plan that will be all inclusive and balance the assets they have been so privileged to have which is the main reason he bought.

Margaret Martini commented that there needs to be business plans which has been asked for from each facility; Chair Dent asked the managers to provide that, and the District General Manager stated they did not do it last time because they did not have time. She continued that it was a direct order from the Board of Trustees; if the facility managers and the District General Manager cannot perform their duties that were asked of them, then they all need to be terminated immediately. She stated that it is ludicrous to think that just because the ski area is the only facility making a profit, that you should have to charge more there to make up for other facilities that are either mismanaged or should be privatized. She continued that it needs to be looked at and she would like to see the business plans for each of the facilities; most of the Trustees have run on a 0 based budget; this is not seen or talked about anymore. She stated that she thinks the financials need to be in order and a business plan is a must; it needs to be expedited as it was asked for. She continued that anybody that has any senior position at IVGID needs to step up and do their job, or find another one. She stated that as far as amenities for the employees, people are mistakenly using other high dollar country club type properties as examples for what the District should be which is ridiculous; you just need to make sure employees are paid and paid on time; the District does not need to subsidize anyone with recreation facilities. She continued that people like to come to Tahoe and visit and if they have a job here, it is even better; the District needs to be more realistic when it comes to giving away facilities just for employee retention.

Frank Wright commented that something has to be done; there is a group of people in this town that think that other people should finance their recreation at other people's cost. He stated that people that do not golf are financing the golfers; his recreation fee is financing the golf courses and those poor golfers are worried about an increase in their rates; they are screaming bloody murder because they don't want to pay more. He stated that money is being taken from Diamond Peak to be thrown towards the golf courses; the picture pass holders are now asked to pay more at Diamond Peak so that money can subsidize a bunch of golfers who have taken over the golf courses all summer with guaranteed tee times and low rates. He stated it is unbelievable; they have the arrogance to ask the parcel owners to subsidize their golf, and they are upset now that they may have to pay more money to play golf. He continued that he guesses that is what a Community is all about, he'll pay for theirs and they won't pay for anything; they want what they want, and it's the end of the story. He stated they come talk to the Trustees and

intimidate them so they can get what they want; they'll go play golf as that's all they care about and then forget about the rest of the Community. He stated that things need to be taken care of now; the people who are not doing their jobs need to be given a goodbye; this has gone on way too long and there's too many things happening that should not be happening. He continued that there is not enough time in the 3 minutes to go through everything he uncovers every week at IVGID; there are so many irregularities and money that is being mismanaged that it is sickening; the venue managers are not qualified to even bring a budget for their venue. He continued that they cannot say how to cut costs and they don't know what they are doing so everyone is going to go down; the Board can take control now.

D. APPROVAL OF AGENDA (for possible action)

Vice Chair Sara Schmitz stated that the Chair and District General Manager have concurred to defer item E.1. to April 5, 2023 to allow the Trustees additional time to digest the information and work with Staff so that Staff can further refine the numbers and the format of the material to produce a clear, concise and quality budget. She stated that as it relates to Consent Calendar Item F.2, Chair Dent requested it be removed to allow him the opportunity to expand the memo and provide more transparency on the work being requested of outside legal counsel. She stated that there was a request to remove General Business Item G.7. to allow Staff the opportunity to assess the suggestions received from the Community Members and Trustees and provide more options related to rates and more robust financial analysis for the Trustees consideration. The agenda was approved as revised.

E. BUDGET WORKSHOP

- E.1. SUBJECT: Fiscal Year 2023-2024 Budget Workshop #3 – Operating Budget Update, Capital Improvement Plan Update and Final Facility Fees (Venue Manager Presentations) (Requesting Staff Members: District General Manager Indra Winqest and Director of Finance Paul Navazio) *(this item was removed from the agenda in its entirety)***

F. CONSENT CALENDAR (for possible action)

- F.1. SUBJECT: Review, discuss and possibly approve proposed modifications to the Trustee Handbook (Requesting Trustee: Trustee Sara Schmitz)**

- F.2. SUBJECT: Review, discuss and approve an agreement with Thorndal Armstrong for legal services as it relates to the Beach Deed and IVGID Beaches in the not-to-exceed amount of \$50,000.00 (Requesting Trustee: Chairman Matthew Dent) *(this item was removed from the agenda in its entirety)***
- F.3. SUBJECT: Review and possibly approve abbreviated meeting minutes of February 8, 2023 and February 22, 2023 (Requesting Staff Member: District Clerk Melissa Robertson)**

Trustee Tonking moved to approve the consent calendar.
Trustee Tulloch seconded. Vice Chair Schmitz called the question and the motion passed 4-0.

G. GENERAL BUSINESS *(for possible action)*

- G.1. SUBJECT: Authorize the General Manager to execute State of Nevada clean water State revolving fund loan contracts CW2303 and CW2304 in the aggregate amount of \$16,000,000 to finance Phase 2 of the Effluent Pipeline Project (Requesting Staff Member: Director of Finance Paul Navazio)**

Director of Finance Paul Navazio provided an overview of the submitted material. Trustee Tonking asked what the timing will look like if and when the District needs to increase and tries to access the other 52 million dollars. Director of Finance Navazio stated that hopefully the District will not need to increase every time; another loan application would be submitted. He continued that his understanding is that it would not be an amendment to the contract but rather reapplying. He stated that all of the leg work has been done, the funds are reserved and the District would need to meet the requirements; Staff's expectation is that within the next 12-18 months, they will have more certainty on the total cost of the project and clarity on potential outside funding. He stated that if there is a second request, they will want to make sure it is the final request for either the remainder of the amount or a portion thereof. Trustee Tulloch stated this would be taking on more debt than the District ever has in the entire history; he asked what precautions are put in place to ensure that money is not spent just to be spent and just because the funding is there. Director of Finance Navazio stated just because they are accessing debt funding, it is being paid overtime by the District rate payers; the plan on putting this together is to provide the best available financing to the District. He continued that the District has also

been collecting dollars for the project and setting it aside; having the funds available is the key while being intentional and strategic about spending it without over spending is the task at hand. Trustee Tulloch stated the District has been collecting 2 million dollars per year from residents for the last 10 years; much of the money was diverted for other purposes; at least 5 million dollars was not properly reserved. He stated he is also conscious on the beach contract; CMAR was in place to save the District money but they ended up with the maximum amount, and then wanted to spend it on something else. He continued that residents are going to be paying for that on their utility bills for the next 30 years; he wants to ensure there are proper precautions on place. Director of Finance Navazio stated that once this is in place, Staff would be back in front of the Board of Trustees with the contracts; at this time they can have the conversation regarding what is authorized to be spent and what it is authorized to be spent on; the work that is being done around internal controls will play into it. Trustee Tulloch asked if the Trustees will see regular updates every time there are additional draw downs. Director of Finance Navazio stated Staff could provide that; when they bring the Trustees a contract, and if it is approved, and if the funding source of the contract is the loan proceeds, Staff will provide quarterly reports of the draws. Trustee Tulloch stated that would be helpful so progress can be monitored. Director of Finance Navazio mentioned that the District would not be getting 16 million dollars on day 1; the funding will be accessed to the extent that it is reimbursing the District for cost that have been incurred; the costs will be controlled. Director of Public Works Brad Underwood referenced the CMAR process and Staff; they will try to keep costs as low as possible. He noted that Staff has been engaged with Granite Construction over the last 3-4 weeks regarding sub-contractor bids; Staff received their guaranteed maximum price and Staff is reviewing it to see if there are some potential cost savings. Trustee Tulloch stated he gets concerned when he hears guarantee maximum price; experience seems to show the District pays the maximum price every time and it defeats the object which is why he prefers competitive bidding. Trustee Schmitz pointed out that the contract requires the District to track and monitor all expenditures of the funds so she wants to make sure Staff is aware that it is a contractual obligation and it would be helpful for the Trustees to have the information too. She referenced a \$78,800 loan origination fee in the contract; she asked if this was the only cost for the bonding effort and if there will be any attorney fees that have not been identified. She continued that she does not recall having anything in the budget for these fees; if it closes on April 11, 2023, the funds will be due this fiscal year. Director of Finance Navazio referenced the municipal advisory and bond counsel and the loan origination fee that NDEP charges; it is not allowed to be reimbursed by the

loan. He continued that the municipal advisory fee and bond counsel fee add up to about \$81,000 combined and they are reimbursable; they were submitted to NDEP as part of the financing component of project costs which makes up the first draw on the loan. He stated that typically they are funded out of the cost of issuance; there is an engagement letter and fee letter from both the municipal advisor and bond counsel on the project and it was established at the front end that the fees would be paid at close of loan and bond issuance. He reiterated that they are charged to the project and then reimbursed by the loan; the loan origination fee needs to be paid by the District from District funds and is a cost that is charged to the project which will come out of the effluent pipeline project in this fiscal year. Trustee Tulloch asked if the cost is being capitalized. Director of Finance Navazio stated it is eligible for capitalization and it can be discussed in case the Board of Trustees wants to do something else with it.

Trustee Schmitz made a motion to authorize the General Manager to Execute State of Nevada Clean Water State Revolving Fund Loan Contracts CW2303 in the amount of \$15,760,000 which will be repaid through debt service payments and CW2304 in the maximum amount of \$240,000 which is eligible for principle forgiveness, in the aggregate amount of \$16,000,000 to finance Phase 2 of the Effluent Pipeline Project and to modify the loan contract to change the words from segment 2 to phase 2. Trustee Noble seconded the motion. The motion passed 4-0.

G.2. SUBJECT: Approval of Resolution No 1899 providing for the issuance of sewer bond series 2023A in the maximum amount of \$15,760,000 and Sewer Bond Series 2023B in the maximum amount of \$240,000; Providing the Forms, Terms and Conditions Thereof; Securing Payment Through a Pledge of Net Revenues Derived from the Utility System of Which the Financed Project is a Part; Ratifying Actions Previously Taken Toward the Issuance of the Bonds; and Providing Other Matters Relating Thereto (Requesting Staff Member: Director of Finance Paul Navazio)

Director of Finance Paul Navazio provided an overview of the submitted material. Trustee Tulloch asked about the term lengths with regards to paying the principal off. Director of Finance Navazio responded that it is a 30-year principle repayment. Ken Dieker, bond counsel, stated the final payment is 30 years out so the District would be paying principal interest over 27 years if the final draw is done in year 3. Trustee Tulloch inquired about the cost of issuance price of \$82,916. Director of Finance Navazio

explained that it is in addition to the loan original fees for a total of \$160,000. Trustee Tulloch stated it is \$160,000 for the 16 million dollar loan and asked if it will be 1% when they draw down on the 52 million dollars as well. Director of Finance Navazio stated that if the question is whether it is proportionate, the answer is yes for the loan origination fee but it would be a negotiated flat fee for the bond counsel and municipal advisor. There was discussion on this item which can be viewed on livestream around one hour and 19 minutes.

Trustee Tonking made a motion to approve Resolution 1899 providing for the issuance of Sewer Bond Series 2023A in the maximum amount of \$15,760,000 and Sewer Bond Series 2023B in the maximum amount of \$240,000; providing the forms, terms and conditions thereof; securing payment through a pledge of net revenues derived from the utility system of which the financed project is a part; ratifying actions previously taken toward the issuance of the bonds; and providing other matters pertaining thereto, and change the bond document language from the words segment 2 to phase 2. Trustee Noble seconded the motion. The motion passed 4-0.

G.3. SUBJECT: Review, discuss and possibly provide feedback/direction on possible employee recreational privileges and employment Incentives in replacement for the removal of the privilege of beach access for non-resident employees (Requesting Staff Member: Director of Human Resources Erin Feore)

Director of Human Resources Erin Feore provided an overview of the submitted material. District General Manager Winquest stated that recruitment and retention are challenges that are at an all-time high from what he has seen; it is important that the District does everything they can to recruit and retain quality employees to provide the level of service that is required and expected. He stated this is about trying to pivot to some additional things that the District may be able to do based on what is going on and the competitive employment market; a lot of the research that has been done is consistent with what is being seen at other agencies. Director of Human Resources Feore added that she did an evaluation of all of the full time year round positions that were posted last year; the average post to fill was 107 days and some were 250 days for technical positions. She continued that it is difficult to hire people especially in a town that not everyone lives in; Staff is competing with Reno and other agencies on the hill so she wanted to be broader minded about the ideas being brought to the Board of Trustees

attention. The Trustees asked questions and provided their feedback on this subject. There was discussion regarding the difference between employee recreational privileges and benefits that would be incorporated into a contract and whether the benefits should be a separate conversation as some Trustees expected the discussion to be about replacing beach access with other recreational privileges. It was determined that the Director of Human Resources will bring this item back at a future meeting with additional information; Staff will also be re-visiting the Employee Recreation privileges document, incorporate changes and bring it back for formal approval. The discussion on this item starts around one hour and 37 minutes on livestream.

G.4. SUBJECT: Review, discuss and possibly provide feedback/direction on survey I from the General Manager's Dog Park Committee (Requesting Staff Member: Director of Parks & Recreation Sheila Leijon)

Director of Parks & Recreation Sheila Leijon and District General Manager Indra Winquest provided an overview of the submitted material. There was much discussion on this item. The Board of Trustees provided direction to Staff to table the proposed survey, eliminate the U.S. Forest Service parcel adjacent to Incline High School as an opportunity site and proceed with Village Green as the site for a dog park. The Board of Trustees directed Staff to work with the General Manager's Dog Park Committee to develop conceptual costs of various components of the proposed dog park to be included in an upcoming modified survey. The discussion on this item starts around two hour and 34 minutes on livestream.

G.5. SUBJECT: Review, discuss and possibly award a procurement agreement for replacement snowboard Rental Equipment – 2021/2022 Capital Project: Fund: Community Services; Division: Ski; Project # 3468RE0002; Project Type Equipment & Software; Vendor: Amer Sports Salomon in the amount of \$131,880.00 (Requesting Staff Member: General Manager Diamond Peak Ski Resort Mike Bandelin)

General Manager Diamond Peak Ski Resort Mike Bandelin provided an overview of the submitted material. He referenced that on page 656, Exhibit C, pricing, where it refers to "estimated quantity" and suggested it be changed to the quantity itself. District General Counsel Melissa Crosthwaite mentioned that the Board of Trustees could approve this item with the necessary changes which is to remove the estimated quantity and estimate language. There was some discussion on this item; this item starts around three hours

and 12 minutes on livestream.

Trustee Tonking made a motion that the Board of Trustees award a procurement agreement for replacement snowboard Rental Equipment – 2021/2022 Capital Project: Fund: Community Services; Division: Ski; Project # 3468RE0002; Project Type Equipment & Software; Vendor: Amer Sports Salomon in the amount of \$131,880.00 with the update language that legal suggested regarding the estimate quantity. Trustee Noble seconded the motion. Trustee Tulloch asked that any remaining funds be moved back into the community services funds so it can be looked at fresh for the ski purchase. It was noted that this will be added to the long range calendar. Vice Chair Schmitz called the question and the motion passed 4-0.

G.6. SUBJECT: Review, discuss and possibly approve Diamond Peak Ski Resort's 2023-2024 Picture Pass holder daily lift ticket rates including Picture Pass holders and Non-Picture Pass holder season pass rate proposal. (Requesting Staff Member: General Manager Diamond Peak Ski Resort Mike Bandelin)

General Manager Diamond Peak Ski Resort Mike Bandelin provided an overview of the submitted material. Trustee Tulloch stated that it was previously proposed to add \$5 to every season pass; the Board of Trustees felt that it was wrong in terms of the picture pass holder passes hadn't increased since 2012. He referenced the 10% increase and stated his recollection was that it would be moved to all the season pass products; it looks like the residents are being penalized by increasing it by 10% and only increasing the non-resident season passes by \$5. General Manager Diamond Peak Ski Resort Bandelin stated that the memo on 3/8 included \$5 change in season pass product pricing by tier for non-picture pass holders, and the recommendation was no change to picture pass holders. Trustee Tulloch stated the recommendation was to increase the picture pass holders by 10% but he does not think the Trustees understood that it meant only a \$5 increase for the non-picture pass holder. Trustee Noble referenced the non picture pass holder passes and stated that General Manager Diamond Peak Ski Resort Bandelin believes they are in the right bandwidth based on what other ski areas are doing with their products. He referenced the picture pass holder rates and stated that had not been changed in a decade, it was a 10% increase to the adult rate. He continued that he then took the delta between the adult picture pass holder rate and the adult non-picture pass holder rate, which is about a 29% savings for residents, and applied that delta, or 29%

reduction to non-picture pass holder passes to get to the dollar figure. He stated that the rates for the youth, child and senior and super senior are incredibly low; General Manager Diamond Peak Ski Resort Bandelin feels that the rates for adults, youth, child, senior and upper senior for the non picture pass holders are in the correct bandwidth; this is being used as the benchmark and then backing in the discount for the resident rates. He continued that there are dramatic percentage increases, but the rates for the picture pass holder passes are still fantastic. Trustee Tulloch stated he struggles that the super seniors are being told that their past price is going to quadruple, it has been known that Diamond Peak is going to require significant capital investment and the District is likely going to ask residents to pay capital towards that. He continued that the prices are increasing dramatically for picture pass holders while only increasing by \$5 for non residents. Trustee Tonking stated he understands the logic; she does feel that the non-resident picture pass is in the right target area. She referenced the cost for super seniors and stated her fear is about losing customers; she discussed the affordability for super seniors and youths. Trustee Tulloch stated the Board of Trustees has heard complaints tonight from the golf community based on one memo that has not been validated; there were some good points made such as the question of whether they are trying to price residents out. He referenced giving special treatment to golf but are increasing rates for ski by 10% for residents and only \$5 for non-residents; he struggles completely with it. Trustee Noble noted that they have had flat rates for passes for the past 10 years; he does not think any other venue has done that or even come close. He used the super senior rate of \$120 as an example and stated that someone can't even get a day ticket at any resort in the Tahoe basin for that price for one day, but the super seniors get to ski for over 4 months for that price which is a bargain. He stated he has not heard any complaints but maybe others have; he feels it is still the best deal around. Trustee Tulloch stated that they have heard all types of claims about golf and how they are being penalized because of rates which have not gone up in years and the District is still paying the price for that by trying to get them back to realistic rates. He asked what happened to the quality experience and why there is a 180 degree difference in the logic being used for golf compared to the logic being used for ski. Trustee Schmitz asked what Trustee Tulloch's recommendation is. Trustee Tulloch stated he would like to see the 10% rate increase applied to the non-picture pass holder as well. There was some additional discussion on this item that can be viewed on livestream around 3 hours and 38 minutes.

Trustee Tonking made a motion to approve a \$10 increase to all picture pass holder daily tickets products for the fiscal year 2023-2024

and approve an increase to all picture pass holder season pass products at a 50% discount of the non-picture pass for all categories other than adults; adults to stay at a 10% difference and approve a \$10 increase to all non-picture pass holder season pass products for fiscal year 2023-2024 and authorize District Staff to include an additional tier 4 for the non-picture pass holder season pass product. Trustee Noble seconded the motion.

Trustee Tulloch stated he cannot vote on the motion as he has not seen the table with the revisions that have been discussed to see what the impact is. Trustee Schmitz asked General Manager Diamond Peak Ski Resort Bandelin what the impact would be of updating the tables and bringing it as a consent item at the April 5, 2023 meeting. General Manager Diamond Peak Ski Resort Bandelin stated that policy 6.2.0 speaks to pricing for picture pass holder products; he likes to bring non-picture pass holder products within season passes to the agenda item for review and discussion. He stated Staff has never brought ski non-picture pass holder daily tickets to the table for review or approval as it does not meet the policy; it does inform the budget somewhat but typically those rates are assumptions within the budget. Trustee Schmitz asked if the tables were revised, and the item was placed under consent on April 5, 2023, if it would have a negative impact on the business. General Manager Diamond Peak Ski Resort Bandelin stated yes, because the sale would have to be postponed by 2 weeks.

Vice Chair Schmitz called the question and the motion passed 3-1 with Trustees Tonking, Noble and Schmitz in favor of the motion and Trustee Tulloch opposed.

- G.7. SUBJECT: Review, discuss and possibly approve (a) Couples Play Pass pricing to, first individual at the individual rate and second person to individual rate less 15%, (b) either a 5%, 8% or 11% increase for the Golf Play Passes rates, (c) either a 5%, 8% or 11% increase for the Daily Green fees; (d) keep the Charity rates as approved last year; and (e) increase the Range fee rates by \$1 per product for the Incline Village Golf Courses for the 2023 season. (Requesting Staff Member: Director of Golf/Community Services Darren Howard) *(this item was removed from the agenda in its entirety)***
- G.8. SUBJECT: Review, discuss and possibly provide direction to advertise for the proposed management consulting engagement (Requesting Trustee: Trustee Sara Schmitz)**

Trustee Schmitz provided an overview of the submitted material. Trustee Tonking stated she likes the layout and the timeline; she referenced “the last day for questions” and asked if all of the answers to the questions would be published on April 12, 2023. District General Manager Winqest stated it would typically be put out for a minimum of 2 weeks; his suggestion for this particular item would be to put the RFP out for a bit longer. Trustee Schmitz clarified that it is a full 2 weeks for the responders to be able to ask questions; the proposal would then be due one week later, for a total of 3 weeks. Trustee Tonking stated she agrees; her only question is when the answers would be provided to the questions from the responders. District General Manager Winqest suggested adding an extra week to the process because of the question and answer period. Trustee Schmitz stated she would be ok with clarifying that all questions would be answered by April 12, 2023. Trustee Tulloch stated he thinks the language should be change to say all questions shall be submitted in writing; he stated that there should be language regarding any contacts with Staff, Trustees; this will result in disqualification. Trustee Schmitz stated she would incorporate these changes. Trustee Noble suggested making the due date for proposals 4/17 to be consistent with the timeline. He asked if everyone is ok with the timeline as it seems a bit aggressive to him; he suggested possibly adding a week or two to get as many good proposals as possible. Trustee Schmitz stated they could potentially extend the date after the fact if they need to; it is a generous amount of time and she is also trying to coordinate it in a way to get the responses in a Board packet for the meeting on April 26, 2023. Trustee Noble referenced the proposal due date on 4/17 and asked if there would be enough time to have the information included on the 4/26 Board of Trustee meeting date. He stated he would like to see a bit more wiggle room with the due dates but if everyone is comfortable with it, then that is fine too. Trustee Schmitz stated she would work to get the dates cleaned up and add the language that the Trustees have requested; she will work with the District General Manager and Board Chair on getting everything aligned appropriately. The Board of Trustees agreed with this action.

Trustee Tonking made a motion to approve the management engagement request for proposals (RFP), and direct staff to advertise the request. Proposals will be delivered for the Board of Trustees to select their preferred vendor and potentially augment the budget for the first phase of the initiative at a later date. Trustee Noble seconded the motion. Vice Chair Schmitz called the question and the motion passed 4-0.

H. REDACTIONS FOR PENDING PUBLIC RECORDS REQUESTS (for possible action)

There were no redactions for public records.

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

District General Manager Winquest provided an overview of the long range calendar. Trustee Schmitz stated there would be a meeting on April 5, 2023 to cover golf rates and hold the budget workshop. It was determined that the meeting would start at 5 p.m. It was noted that the engagement with special counsel will be on the consent calendar for April 5, 2023. Trustee Schmitz stated she would not be at the April 12, 2023 Board of Trustees Meeting and requested that the Ordinance 7 item be moved to another meeting.

J. BOARD OF TRUSTEES UPDATE

Trustee Tonking stated she met with the recreation fund budgeting Staff as the Recreation liaison. Trustee Tulloch stated he met with the Public Works Staff regarding the potential Waste Management extension proposal.

K. FINAL PUBLIC COMMENTS*

Margaret Martini commented that in looking at the proposal on the employee benefits, there is no reason on this earth, that benefits should be 50% of what she has to pay. She stated it is beyond ridiculous and unconscionable that it would even be approached; they should pay 50% of the going market rate which would still be a benefit. She continued that the District has looked far too deep into employee benefits; either they want to work here or they don't. She stated that all she hears about is retention; people probably do not hear the word retention from others or that it's happening; she does not think the District needs to go so deeply, they can give a few perks. She continued that this has gotten beyond ridiculous. She referenced the presentation by General Manager Diamond Peak Ski Resort Bandelin and stated that there is no good reason at all that there should be any increases in the cost of skiing for local picture pass holders; the ski area is a gold mine and this is out of line. She stated if money is not being lost, like it is at the golf course, and money is being made, perhaps they should look at separating everything; and all of the huge profits that the ski area is making should be given back to the residents who are paying. She asked why they continue to allow golf and other venues to continue to lose money. She continued that Trustee Tulloch had a great idea to look at everything; if it can be outsourced at a cheaper price, the

District does not need all of the employees; everything should be looked at for outsourcing including looking at the cost benefit, and if there is no cost benefit, then fine, do the employee thing. She stated that if there is a cost benefit, then why as a business, would you not look at that; she does not hear anyone talking about this but rather about hiring more employees and giving more benefits which is very un-business like.

Cliff Dobler commented that there is no temporary dog park down at Village Green; it is the dog park and there is a conditional use permit with the County. He stated that it is temporary in people's minds but the County has provided the Village Green as the dog park. He continued that when they start chasing rainbows like the piece up across the high school, it is like chasing the effluent pipeline to put it in the SR28 when the transportation district had to go out and get money to do that. He stated that the District is trying to do a pipeline and they are trying to merge them together; there was no risk assessment on that at all; it was so farfetched, it is like throwing 1000 pennies in the air and picking out the one that will fall in your hand. He stated it is so ridiculous; the chance of getting the dog park at that location are slim to none; it is a parcel dedicated for open space and the Sierra Club will be all over it in 5 minutes. He continued that it is the same way up at Diamond Peak; a master plan was completed, they came back with questions and nothing was done. He stated there has not been any risk management on how to get something done' it just gets talked about and delayed and brought back. He stated that the pool at Burnt Cedar Beach was a different deal; he ramrodded that through so keep that in mind. He referenced the budget and Mountain Golf Course and stated that the District bought \$600K in golf carts and forgot that they were leased for 3 years and kept them in gas because there is no electricity to put lithium batteries in the building. He continued that the electrical line was a bunch of money improving the building, but the District does not have it at all but they buy lithium battery golf cart and put a new roof on while not thinking of the electrical to hook up the lithium batteries. He stated there is no planning; if you are going have to blow 1 million dollars on the building and you want lithium battery carts, then go blow 1 million dollars, otherwise forget about the lithium batteries. He stated to think about a plan and think about what is being done.

Jack Dalton commented referenced the Ordinance 7 restructuring and stated that it will be a disaster for management to open up the sick leave; the hospitals in New York are cutting back on what the sick leave will be and how it is obtained. He asked how the gas stuff would be managed and stated it would be impossible. He continued that the Community does not have any information and he hears from the District General Manager that the Board is in charge; he mentioned that the Board materials were supposed to come out 7 days in advance and it did not get published until the Saturday before the meeting. He stated everyone has to request

the meeting synopsis; he goes to a different meeting every two weeks and the synopsis is really good; the scribe is fantastic and it is easy to find everything. He referenced a zero based budget and stated it was requested by the Board of Trustees to be in the budget and it is not there. He referenced the IVGID magazine and stated there needs to be access for the Community to write something; he agrees it should not be libelous but it should not be censored by the District General Manager.

Mike Abel commented that April 5, 2023 is Passover; he won't be able to attend or listen in. He stated he thought Trustee Tonking was of the faith but apparently she is unaware of that or was not knowledgeable on it. He stated everyone is wanting to get the electric golf carts operational and he does not know if they have the ability to go up the hills at the Mountain Course; they seem to do fine at the Championship Course. He stated that the gas usage on the gas carts are minimal; it seems to be an efficient way to get the golfers around the course.

L. ADJOURNMENT (for possible action)

The meeting was adjourned at 9:27 p.m.

Respectfully submitted,

Melissa N. Robertson
District Clerk

Attachments*:

Jim Gately
Cliff Dobler
Aaron Katz
John Jansen
Mick Homan
Mike Abel

①

I have come in front of ^{you today} the IUGID ~~DOT~~'s

to address the Draft "IUGID

Community Dog Park Survey"

Overall, I feel this survey is

seriously deficient in a number of

very important ways and is very ~~biased~~

and slanted to favor a site that

IUGID does not own or control.

Let me explain:

① Having two surveys, this one and a future survey is a waste of time. There should be one complete and comprehensive survey that contains all of the pertinent facts, ~~and~~ these facts are:

① ^{should be} Proposed sites under IUGID control or ⁱⁿ contract. If a site, like the USFS site, is not under IUGID control, it should NOT be included in a survey. Therefore the survey is seriously premature or the USFS site off Village Blvd should be deleted.

② So lets pretend the USFS site off Village ^{Blvd} is under contract and in control of IUGID.

I cant realistically complete a survey without knowing the vital construction costs of the 3 proposed alternatives.

The ~~3~~ ³ are Then

- A) Village Green "AS IS"
- B) Village Green with a Permanent Dog Park
- C) USFS site off Village Blvd

It is pretty clear that the most expensive alternative is C) the USFS site off village Blvd. All construction is ground up, including parking lots, Rest rooms, lighting, Fencing, tree removal

utilities, ie water sewer, electricity irrigation etc.

Site A, the Village Green "A.S-15" would be zero Dollars and Site B, the Village Green with a permanent dog park would really be the cost of Fencing. Very minor.

It is very slanted and misleading to not include realistic estimates of initial costs of the 3 proposed sites. ~~Part of~~ ~~the~~ Draft Survey, Question 15, ~~tries~~ TRIES to address this but fails terribly short. I demand to see cost estimates that are site specific, not a general range of numbers as presented in this question.

Additionally, Question 15 states that the estimated \$1 to \$3 million cost may be funded by donations. ~~that's~~ ~~that~~ This is highly slanted again to favor the very expensive proposed site unless there are iron clad commitments for donations to cover these costs. This phrase, at a minimum should be stricken from any survey.

Additionally, Question 16 asks the responders to mark 1 to 5 stars for ^{dog park} features with no costs estimates what so ever. This again is completely unacceptable to properly complete a survey. These cost estimates must be disclosed.

3. The next cost variable is on going maintenance, snow removal, utility bills, security, general upkeep etc.

Question 15 barely touches this point and does not address actual expenses. It's ^{is} there could be a modest increase in the "Recreation Facility Fees". Again, the truth is being hidden to favor the USFS proposed site of Village Blvd, which will be the most expensive.

I need to know what the on going costs will be to properly complete the survey.

4. Traffic is not even being addressed in the survey. This is an important environmental impact at the USFS proposed site on Village Blvd.

My office is just down the street on Village and I have 3 ~~rental units~~ Affordable Rental units there. There is already significant congestion due to the 2 ~~schools~~ schools on Village Blvd, the Raley's center, ~~and~~ Village Blvd being a ~~throughfare~~ throughfare to Mt Rose Hwy and it is only a 2 lane road.

A traffic analysis needs to be done at this site as the village green sites are already known.

I am certain a traffic analysis was not done as ~~to~~ it would not be favorable to the USFS proposed site on Village Blvd.

Again this survey is slanted and tainted.

5. Pollution. -

dog
committee
member

I have heard from ^{the General Manager} ~~India~~ and ~~Myles~~ River of the dog urine and poop polluting the creeks adjacent to the Village Green.

The unfortunate fact for them ~~is that~~ and their favored site, the USFS ~~proposed~~ site is that they can't prove this.

As a matter of fact, if one reads the "Lake Tahoe Basin Stream Environmental Zone - Baseline Condition Assessment Report" by TRPA, all 3 creeks adjacent to the Village Green Dog Park are shown to be in a very healthy condition and received a Final Rating of A's and B's.

Notwithstanding the fact that the Dog Park has been located adjacent to the 3 creeks for 20 years, they are very healthy

7

So clearly, this survey is
seriously deficient ^{by omitting} ~~an~~ important
information that is needed to
make informed decisions. And
it is also very tainted and
skanted to favor the most traffic
congested and costly site.

Thank You

Tom Gately

Public Comments - 3-22-2023 by Clifford F. Dobler - Meeting minutes

The two golf courses have consistently lost over \$1 million each per year over the past six years. Trustees keep seeking more revenue. Mr. Howards conclusion is that more revenues must come from the residents.

My 3 minutes is about fairness in pricing

There are 4 to 5 golf clubs with about 600 members.

Being avid golfers most members buy play passes which averaged \$67 per round in 2022

Approximately 30% to 40% of all rounds played at the Champ course are by club members and are mostly at the prime tee times of each day.

All clubs receive up front reserved tee times for the entire season and pay nothing for these rights.

TIGC, of which, I am one of 125 members receive 1,528 rounds for 30 tournaments and 876 rounds on 71 other days

According to Mr. Howard, about 8,000 rounds are reserved for the clubs at the beginning of the season.

There are two employees which make combined \$200K per year to run the tournaments for the clubs, charities, and outside guests. The clubs have the largest amount of tournaments. Darren has not provided information on the tournament schedules.

However, I residents who are NOT club members paid an average rate of \$71 in 2022 which was 7% higher than club members .

These residents DO NOT have any reserved tee times for the entire season and must pay an extra \$10 to get a reservation two weeks in advance of playing. These residents typically do not buy passes because there is no guarantee that a tee time will be available.

Of course, these residents also must pay \$96 to \$110 per round during the high season. Most cannot get prime tee times since clubs have those times locked up, so they must settle for times after 4 pm and hope they finish by dark.

These non club residents also fork up a portion of the \$200K in personnel but receive no services.

So what is fair about this set up? Club members get cheap pass rates, reservations for the entire season mostly at prime times and get pampered by two employees to run their tournaments.

Other residents NOT belonging to a club pay higher rates, pay extra for reservations, have difficulty getting prime tee times and do not get pampered by anyone.

FAIRNESS - Impartial & just treatment or behavior without favoritism or discrimination

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR MARCH 22, 2023 MEETING –
AGENDA ITEM C – STAFF DIDN'T EVEN MAKE THE BOARD PACKET OF
MATERIALS FOR THIS MEETING AVAILABLE TO THE BOARD AND
THE PUBLIC UNTIL THE SATURDAY AFTERNOON BEFORE, AND
YET THE BOARD REFUSED TO RESCHEDULE THE MEETING**

Introduction: Well “here’s another one” according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently provided by another district³. Or Washoe County. Or more preferably, IVGID should simply be dissolved³. However in the interim, and in order to provide evidence in support of dissolution, let’s examine another example of the waste the District engages in which ends up costing local parcel/dwelling unit owners even though this waste has nothing to do with parcel/dwelling unit owners’ “availability” to access and use District recreation and beach facilities and the programs offered thereat⁴. It’s really the same old, same old. And here we have another example. Delaying the completion, IVGID Board, and public distribution of the packet of materials in support of this Board meeting. And that’s the purpose of this written statement.

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

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

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

⁴ This is the justification staff claims for its involuntary assessment of the Recreation (“RFF”) and Beach (“BFF”) Facility Fees (go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/G.2._-_Recreation_Standby_and_Service_Charges.pdf).

As I've Observed Many Times Before, it Doesn't Matter What the District Does: At the end of the day, whatever it is, as one peels away the various layers (of the onion), one eventually reaches a core of evil, deceit, wrongdoing and waste. And that's what we have here.

My March 17-18, 2023 E-Mails to The Board Addressing The Delay in Making a Board Packet of Materials in Anticipation of This Meeting Available For Examination by The Board And The Public: Staff typically prepares its packets of materials in anticipation of upcoming Board meetings, on the Friday before those meetings (which generally take place at 6:00 P.M. on the following Wednesday). On Friday, March 17, 2023, at 7:13 P.M. I had still not been notified that a Board packet for this evening's meeting was available for my pick-up. So I sent an e-mail to the Board and our GM registering my opposition, and asking the Board to take corrective action⁵.

When I had received no response and it was after 12:30 P.M. the following day (Saturday), I e-mailed the Board and our GM again asking this evening's meeting be re-scheduled⁵.

Nearly two (2) hours later, I received an e-mail from Board Clerk Melissa Robertson advising me that the Board packet for this evening's meeting was completed and available for my pick-up⁵.

Approximately fifteen (15) minutes later I again e-mailed the Board and our GM to bring them up to speed, again asking this evening's meeting be rescheduled for the reasons stated more particularly in the attached e-mails.

Obviously I was ignored inasmuch as neither our GM nor any Board member responded to me, nor has tonight's meeting been rescheduled.

Conclusion: All staff and Board claims that they are being transparent and welcome our participation are nothing more than necessary rhetoric. With a Board packet of nearly 800 pages with a scant number of days to read, analyze, research and frame/prepare responses, is unreasonable. And it is wrong! This written statement has been prepared to document the state of affairs and inform the public of more wrongs which never seem to get addressed. **And You Wonder Why the RFF/BFF We're Forced to Pay Which in Essence Subsidizes Payment For Essentially Everything Staff Expendes Moneys on, And is Hidden From We Local Parcel/Dwelling Unit Owners, is So High And The Board Just Doesn't Seem to Care?** I've now provided more evidence.

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

⁵ This e-mail is one of a string of e-mails between myself and the IVGID Board which are collectively attached as Exhibit "A" to this written statement.

EXHIBIT "A"

Re:request the IVGID Board Meeting Noticed For Next Wednesday, March 22, 2023, Be Continued Because of a Lack of Board Packet - What Happened to the Board Packet For Next Wednesday's IVGID Board Meeting? Second Follow Up.

From: <s4s@ix.netcom.com>
 To: Dent Matthew <dent_trustee@ivgid.org>
 Cc: Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>, <ISW@ivgid.org>
 Subject: Re:request the IVGID Board Meeting Noticed For Next Wednesday, March 22, 2023, Be Continued Because of a Lack of Board Packet - What Happened to the Board Packet For Next Wednesday's IVGID Board Meeting? Second Follow Up.
 Date: Mar 18, 2023 2:33 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

So I just received the e-mail below from Clerk Melissa Robertson. Finally. Nearly two (2) hours after my last communication on this subject!

So is all good now?

No it isn't. For all the reasons stated, I re-state my request that the Board's meeting noticed for next Wednesday, be re-scheduled. I and others I know require more time than the District has made available to digest and prepare for response to the matters contained therein.

Thank you for your understanding and cooperation. Aaron Katz

-----Forwarded Message-----

From: Melissa N. Robertson <mnr@ivgid.org>
 Sent: Mar 18, 2023 2:17 PM
 To: s4s@ix.netcom.com <s4s@ix.netcom.com>
 Subject: BOT Meeting - Board Packet - 3-22-2023

Hello Mr. Katz,

The Board packet for the March 22nd BOT meeting is available for your pick up outside Admin.

Thank you,

Melissa Robertson
 District Clerk
 Incline Village General Improvement District
 893 Southwood Boulevard
 Incline Village Nevada 89451
 P: 775-832-1268
mnr@ivgid.org
<http://yourtahoeplace.com>

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

From: <s4s@ix.netcom.com>
 Sent: Mar 18, 2023 12:30 PM
 To: Dent Matthew <dent_trustee@ivgid.org>
 Cc: Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>, <ISW@ivgid.org>

Subject: Re: request the IVGID Board Meeting Noticed For Next Wednesday, March 22, 2023, Be Continued Because of a Lack of Board Packet - What Happened to the Board Packet For Next Wednesday's IVGID Board Meeting? Follow Up.

Chairperson Dent and Other Honorable Members of the IVGID Board -

So now it's Saturday, at nearly 12:30 P.M., and still no Board packet in support of the Board meeting noticed for Wednesday! 17-1/2 hours AFTER my e-mail below on this subject.

So staff notice a meeting which has way too many matters agendized to fit comfortably within the normal hours of a Board meeting. Which means it is likely to last hours and hours and hours.

And I see from the agenda that two of those matters involve BONDING whereby the public will be expected to pay the servicing costs for HOW MANY YEARS? Or HOW MANY DECADES?

And then staff notice that the meeting will start an hour earlier (5 P.M.) which gives the public an hour less to prepare.

And then the Board will only allow the public two opportunities to comment rather than prior to each agenda item for possible action.

And now the Board is depriving the public of an adequate opportunity to view what I suspect will be another MASSIVE Board packet.

Which means the public will be deprived of the opportunity to prepare/submit written statements on each of these agenda items because the Board refuses to allow the public to comment prior to each agenda item.

And any of you think this is fair? Or right?

I am asking the current meeting be rescheduled to Friday, May 24, 2023 at 6 P.M. or thereafter to afford the public the opportunity to review a Board packet and comment upon the matters contained therein.

Respectfully, Aaron Katz

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

From: <s4s@ix.netcom.com>

Sent: Mar 17, 2023 7:13 PM

To: Dent Matthew <dent_trustee@ivgid.org>

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

Subject: What Happened to the Board Packet For Next Wednesday's IVGID Board Meeting?

Chairperson Dent and Other Honorable Members of the IVGID Board -

It's after 7 P.M. on the Friday evening before next Wednesday's IVGID Board meeting. And so far, no Board packet of materials notwithstanding the agenda suggests a very long meeting.

I thought the Board directed staff to complete its Board packets at least a week prior to meetings. I understand staff needed one or possibly two meetings to get up to speed. But it has been well over a month and business as usual.

If this is too much work for staff to do, maybe we need to have Board meetings every week rather than every other week?

Regardless, the public doesn't have time to prepare for Board meetings which is wrong, wrong, wrong. I ask the Board put its collective feet down and compel staff to timely prepare/distribute Board packets.

Thank you for yur cooperation. Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR MARCH 22, 2023 MEETING –
AGENDA ITEM C – EVIDENCE OF WHAT APPEARS TO BE ANOTHER
PAYOFF TO A VOCAL LOCAL CHEERLEADER CITIZEN HIDDEN
UNDER A “SERVICES AND SUPPLIES” EXPENDITURE**

Introduction: Well “here’s another one” according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently provided by another district³. Or Washoe County. Or more preferably, IVGID should simply be dissolved³. However in the interim, and in order to provide evidence in support of dissolution, let’s examine another example of the waste the District engages in which ends up costing local parcel/dwelling unit owners even though this waste has nothing to do with parcel/dwelling unit owners’ “availability” to access and use District recreation and beach facilities and the programs offered thereat⁴. it’s really the same old, same old. And here we have another example. An indirect payoff to a local cheerleader citizen (Kaye Shackford) hidden under an arguably proper looking staff expenditure (training and conferences). And that’s the purpose of this written statement.

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

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

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

⁴ This is the justification staff claims for its involuntary assessment of the Recreation (“RFF”) and Beach (“BFF”) Facility Fees (go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/G.2._-Recreation_Standby_and_Service_Charges.pdf).

My Public Records ("NPRA") Request of March 14, 2023⁵: After reviewing records of recent employee procurement/credit card purchases⁶, I came across two that seemed "fishy." \$1,992.80 each for food and lodging at Granlibakken Resort near Tahoe City for principle engineer Kate Nelson, and IT Director Mike Gove. These expenditures were stated to be associated with a four (4) day Mattford Group⁷ "Negotiation Solutions Training" workshop that began on September 22, 2022. According to the chart of account ("COA") coding for these expenditures, 420-52-930-7680 (an Engineering Operational Training and Education expense) was assigned for Kate Nelson, and 100-12-130-7685 (a Financial Services Operational Travel and Conference expense) was assigned for Mike Gove.

So what are an engineer and IT Director doing taking training to "negotiate" others' behaviors to bring about culture change⁸? And who do you think approved this expense? Susan Herron⁹! Why Ms. Herron as the Director of Admin Services when Brad Underwood is Ms. Nelson's immediate supervisor? And our GM is Mr. Gove's immediate supervisor?

I've Observed Many Times Before That it Doesn't Matter What the District Does: At the end of the day, whatever it is, as one peels away the various layers (of the onion), one eventually reaches a core of evil, deceit, wrongdoing and waste. And I fear that's what we have here. And why use of Ms. Herron as the conduit for this wrongdoing?

Staff's March 17, 2023 Response to My NPRA Request: On March 17, 2023 staff responded to my NPRA request¹⁰ by providing the invoice which is attached as Exhibit "B." Although this invoice bills for an additional \$3,800 chargeable for Ms. Nelson's seminar attendance¹¹, it bills nothing for Mr.

⁵ A copy of this request is attached as Exhibit "A" to this written statement.

⁶ Do you realize the District has given out in excess of fifty (50) procurement/credit cards which allows all sorts of employees to make District expenditures largely without advance approval? And as the reader will see, in many cases without any supervisory approval.

⁷ This is a front organization for local citizen Kaye Shackford. In my opinion and the opinion of others I know, an example of the scourge of our community.

⁸ According to the Mattford Group's web site, these are the kinds of "techniques" the seminar purports to teach: to achieve our objectives, we must change the way we work with one another." In other words, behavior modification, lifestyle training, and culture change. A copy of this page is attached as Exhibit "B" to this written statement.

⁹ The invoicing from The Mattford Group which shows it was sent to Ms. Herron's attention, is attached as Exhibit "C" to this written statement.

¹⁰ Staff's response is part of the string of e-mails between myself and Melissa Robertson which are collectively attached as Exhibit "D" to this written statement.

¹¹ The COA number assigned to this expenditure according to what is handwritten at the top of the invoice, is the same 420-52-930-7680 (see Exhibit "C").

Gove's attendance. So I communicated back to Ms. Robertson asking whether an additional \$3,800 was charged by Ms. Shackford for Mr. Gove, or did she offer a "freebie?" Although as of the drafting of this written statement I have received no response from Ms. Robertson, independently, I have learned that indeed the District was charged an additional \$3,800 for Mr. Gove's seminar attendance. And that the \$3,800 was in fact paid via a credit card charge to Pay Pal on Ms. Shackford's behalf¹².

So there you go. A combined nearly \$11,500 billed to the public for this lifestyle training with Ms. Shackford.

These Payments to the Mattford Group Are a Payoff to Kaye Shackford: Because she has been a loyal cheerleader for staff. Her seminar teaches how to get along with other people. If Ms. Nelson and Mr. Gove can't get along with their colleagues or the District's vendors, then they should never have been hired in the first place. At a combined cost of nearly \$6,000 per person plus their lost staff time, the costs to local parcel/dwelling unit owners are outrageous! Therefore the only explanation I can come up with for the expenditure becomes "payoff."

There's more evidence that supports this conclusion. Take a look at the proposed budget for fiscal year 2023-24¹³. Go to page 165 of the 3/22/2023 Board packet. There you will find a summary of estimated 2023-24 revenues and expenses assigned to the Internal Services Fund. Go down the column for engineering, and you will see that \$10,000 has been proposed for object detail "7680," "Training and Education." In other words, the amount expended by Ms. Nelson for this single seminar was nearly 60% of all budgeted "Training and Education" expenditures for the upcoming fiscal year.

Take a look at pages 328-338 of the 3/22/2023 Board packet. There you will find a detail/summary of services and supplies expenditures for 2022-23. Go to page 338 and look for the COA expenditure for Ms. Nelson's seminar attendance (420-52-930-7680). There you will see that \$9,000 was approved for the current (2022-23) fiscal year. In other words, the amount expended by Ms. Nelson for this single seminar was nearly 67% of all budgeted "Training and Education" expenditures.

Take another look at the proposed budget for fiscal year 2023-24¹³. Go to page 141 of the 3/22/2023 Board packet. There you will find a summary of estimated 2023-24 revenues and expenses assigned the General Fund. Go down the column for IT, and you will see that \$8,200 has been proposed for object detail "7685," "Travel & and Conferences." In other words, the amount expended by Mr. Gove for this single seminar was over 73% of all budgeted "Travel & Conference" expenditures for the upcoming fiscal year.

¹² See my e-mails of March 17 and 18, 2023. Both are attached as Exhibit "E" to this written statement.

¹³ See pages 5-185 of the packet of materials prepared by staff in anticipation of this March 22, 2023 Board meeting ["the 3/22/2023 Board packet" (https://www.yourtahoeplace.com/uploads/pdf-ivgid/E._-Budget_Workshop_3.pdf)].

Finally, go to page 326 of the 3/22/2023 Board packet and look for the COA expenditure for Mr. Gove's seminar attendance (100-12-130-7685). There you will see that \$12,465 was approved for the current (2022-23) fiscal year. In other words, the amount expended by Mr. Gove for this single seminar was nearly 50% of all budgeted "Travel & Conference" expenditures.

If these expenditures to Ms. Shackford represent such a large portion of all budgeted expenditures for these object details for the entire fiscal year, it shows that the entire budgeted amount is excessive.

Conclusion: The District has a long history of "payoffs" at public expense to buy allegiance and confidentiality. Eric Severance (Yield Management), CJ Johnson (Champ Golf), Mike Pennacchio (Risk Management), and Hal Paris (Parks and Recreation)? Possible Sharon Heider (Community Services), Melina Regos (Marketing), and Ed Youmans (Diamond Peak)? And here I am afraid we have another. **And You Wonder Why the RFF/BFF We're Forced to Pay Which in Essence Subsidizes Payment For Essentially Everything Staff Expends Moneys on, And is Hidden From We Local Parcel/Dwelling Unit Owners, is So High?** I've now provided more evidence.

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

EXHIBIT "A"



PUBLIC RECORDS REQUEST

Hand Deliver to:
 893 Southwood Blvd.
 Incline Village, NV 89451
 Attn: Public Records Officer

E-Mail to:
 info@ivgid.org
 Subject: Public Records Request

Date of Request	
Requestor Contact Information	
Name:	Aaron Katz
Organization:	
Address:	P.O. BOX 3022
City, State, Zip:	Incline Village, NV. 89450
Phone:	(408) 741-1008
E-mail:	s4s@ix.netcom.com

Records Requested:	
Check one: <input type="checkbox"/> Paper copies <input checked="" type="checkbox"/> Electronic copies <input type="checkbox"/> Certified copies <input type="checkbox"/> Inspection (in person)	
<i>Please be specific and include as much detail as possible regarding the records you are requesting.</i>	
Evidence of invoicing and payments, other than those evidenced by District procurement/credit cards, to the Mattford Group or Kaye Shackford in 2022 on behalf of Kate Nelson and/or Mike Gove for her "negotiating solutions" seminar.	

<i>To complete the request, the agency will need the following information:</i>			
<input type="checkbox"/> I will pick up	<input type="checkbox"/> Please FedEx Fed Ex billing number:	<input type="checkbox"/> Please send USPS	<input checked="" type="checkbox"/> E-mail (if format allows)

Office Use Only	
Request status:	
Date	
_____	Request received
_____	Receipt acknowledgement issued
_____	Request filled
_____	Estimated completion date
_____	Request denied in whole
_____	Other:



Public Records Requests

To submit a public records request:

- Please submit the request in writing; you may use the IVGID Public Records Request Form.
- You can submit your request any of the following ways:
 - Email to info@ivgid.org
 - Mail to the IVGID, 893 Southwood Blvd., Incline Village, NV 89451

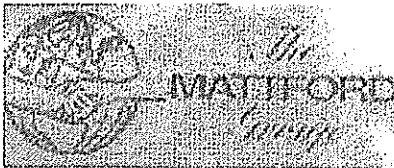
Please note:

- Requests should be as specific as possible and include the requester's contact information
- IVGID will respond to the request within five business days
- If the request cannot be fulfilled within five business days, IVGID will provide written notice of that fact, let the requester know the earliest date and time it reasonably believes the record will be available, and may work with the requester to focus the request so IVGID can respond as expeditiously as possible

Fees for Public Records

Per NRS [239.052](#), a government entity is permitted to charge a fee for the actual cost incurred in the provision of a public record. This includes, without limitation, the cost of ink, toner, paper, media, and postage.

EXHIBIT "B"



- Home
- Workshop Information
- Workshop Dates and Costs
- Application
- Workshop Agenda
- Venues
- Some Clients
- About Us
- What Else?
- Dedicated Programs
- Technology Transfer
- Air Transport World
- Charting a Wiser Course
- Articles and Speeches
- Contact Us
- Repeat Session

Technology Transfer of the Negotiating Solutions[®] Workshop

Negotiating Solutions[®] is based on three premises:

1. *The purpose of our behaviors is to achieve our objectives in a particular environment. We do things to get what we want and need for ourselves and for those we represent.*
2. *Negotiation underlies most of our behaviors at work. Whenever we need to solve problems, craft solutions, and shape agreements with others over whom we don't have direct control, in a mixed-motive environment, we're negotiating. But we were taught to negotiate by people who came before us, who were taught by those who came before them, about how to be effective in an environment that presumably existed when these behaviors were first codified.*
3. *Sometimes the environment changes so much that behaviors that were core to our success are actually working at cross-purposes to our own objectives. Now is such a time. To achieve our objectives, we must change the way we work with one another — cross-functionally, between employee groups and management, and in the marketplace with suppliers, customers, regulators, and partners.*



And a fourth premise: *If individual behavior change is hard, significant and lasting behavior change across an organization is mind-bogglingly difficult. We can improve behaviors within our current model through skills training. But when the model itself can no longer solve the problems we need to solve or realize the opportunities we want to realize, skills training can't change people's behaviors. We can learn how, but the different behaviors don't last; our model pulls us back into old, familiar behaviors.*

So how is behavior change possible? When we realize that our behaviors flow out of deeply held and largely unexamined assumptions, which flow out of our behavioral paradigms - our invisible models for how to make the world work - the path becomes clear. To change behaviors (individual or organizational), we need to get to the invisible model that drives our assumptions and our behaviors and change it. This is where experiential education at the paradigm-shift level can be powerfully effective and efficient.

The Mattford Group's **Negotiating Solutions[®]** workshop is the only program in interest-based negotiation - designed for the aviation/aerospace industry, but equally useful for those organizations committed to significant culture change - that takes most participants through to the paradigm-shift level. And the changes last. Years after attending, graduates demonstrate daily the usefulness of this alternative model as they create value with their counterparts while crafting far better solutions for their constituents.

To transfer the technology.

For your company to embed this program in your training curriculum for continued availability, so you can train hundreds to thousands of people at very low cost per person, and/or offer it to those in your network (customers, suppliers, partners, etc.), consider licensing the program.



EXHIBIT "C"



Vendor # 3703
420-52-930-7680
Eng'g Manager

A Nevada Corporation
Negotiating Solutions Training Account Strategy Development Commercial Mediation

P.O. Box 5454 * Incline Village, NV, 89450 * USA
Phone: 775-832-5300 * Fax: 775-832-5302 * Email: Mattford@aol.com

Customer:	Incline Village General Improvement District	Invoice Date:	6/17/2022
Address:	893 Southwood Blvd. Incline Village, NV 89451	Invoice #:	3873
Country		P.O. #	
Customer Attn:	Susan Herron	Tuition:	\$3800.00
Customer fax:		Facility Fee:	
Invoice email address	sah@ivgid.org	Terms:	60 days
Telephone:	77 5-832-1207	Status :	Pending
		Due Date	8/17/22

Description: Fees for :
Kate Nelson
Engineering Manager
IVGID

to attend the September 26-30, 2022, session of the *Negotiating Solutions* workshop to be held as a residential program at the Granlibakken Conference Center in Tahoe City, California.

This invoice is for Ms. Nelson's tuition. She will also be responsible for paying \$2000 directly to the Granlibakken Conference Center for her facility fee, which covers Sunday through Thursday night lodging, Monday morning through Friday noon meals, breaks, taxes, and her share of the cost of the facility.

Total Due: \$3800.00

Please Make Checks Payable to:

THE MATTFORD GROUP, A NEVADA CORPORATION

Tax Information Number: 88-0346343

EXHIBIT "D"

Fw: RE: Public Records Request - IVGID 0Payments to Kaye Shackford's Negotiating Solutions Seminar

From: <s4s@ix.netcom.com>
To: Melissa N Robertson <mnr@ivgid.org>
Cc: Dent Matthew <dent_trustee@ivgid.org>, Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>
Subject: Fw: RE: Public Records Request - IVGID 0Payments to Kaye Shackford's Negotiating Solutions Seminar
Date: Mar 17, 2023 9:48 AM
Attachments: The Mattford Group - Invoice 3873 - Kate Nelson.pdf

Thank you.

What about tuition for Mike Gove? He attended the seminar as well. Did he get a freebie? Or is there another invoice you haven't provided?

And how come we have Susan Herron approving a payoff like this to staff cheerleader Kaye Shackford? Is this one of Ms Herron's duties as Director of Admin Services? A professional engineer doesn't need training on how to get along with people. If she does, then she NEVER SHOULD HAVE BEEN HIRED IN THE FIRST PLACE! And what the hell does Ms Herron have to do with expenditures such as this one? Why didn't Ms Nelson's supervisor, Brad Underwood, approve or disapprove the expenditure? Why unnecessarily inject Ms Herron into the process? Bueller? Bueller? Indra?

And why would an engineer require nearly \$6K of negotiation training? This whole thing smells to the inner bowels of IVGID. And if anyone doubts this, you've been drinking the kool aid for so long you don't even recognize what end is up.

I am forwarding a copy of this e-mail and attachment to the Board. I want members to see what a B.S. expenditure this was. I want them to see how payoffs like this one are hidden from the public because they're buried under services and supplies. I want them to understand why staff REFUSE to share the particulars of expenditures like this one assigned to services and supplies. And why their proposed budget should be REJECTED until they come clean. I want them to see how staff could very easily have reduced expenditures by this \$6K plus the cost of Ms Nelson's unreimbursed staff time for the week. Yet they refused. Just keep on overspending and overspending. I want them to understand why Ms Helson's unreimbursed staff time is billed out at \$125+/hour when our actual cost is under \$50/hour (how else can internal services general revenues to pay for B.S. expenses such as this one?). I want them to see more reasons why Susan Herron has to go as a public employee. I want them to instruct staff that further contracting with Kaye Shackford NEEDS TO END. IMMEDIATELY!

And you wonder why things are so screwed up here in IVGIDville? As if I had to, I've now given more reasons.

Melissa. Where's the Mattford Group invoicing for Mike Gove?

Respectfully, Aaron Katz

-----Forwarded Message-----

From: Melissa N. Robertson <mnr@ivgid.org>
Sent: Mar 17, 2023 8:42 AM
To: s4s@ix.netcom.com <s4s@ix.netcom.com>
Subject: RE: Public Records Request - Payments to Kaye Shackford's Negotiating Solutions Seminar

Hi Mr. Katz,

Staff has provided the attached record in response to your request. Thank you.

Melissa Robertson

District Clerk

Incline Village General Improvement District

893 Southwood Boulevard

Incline Village Nevada 89451

P: 775-832-1268

mnr@ivgid.org

<http://yourtahoeplace.com>

From: s4s@ix.netcom.com <s4s@ix.netcom.com>

Sent: Wednesday, March 15, 2023 3:45 PM

To: Melissa N. Robertson <mnr@ivgid.org>

Cc: Info IVGID <info@ivgid.org>

Subject: Public Records Request - Payments to Kaye Shackford's Negotiating Solutions Seminar

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Attached. Thank you, Aaron Katz

EXHIBIT "E"

Public Records Request - Invoicing From and Payments to Kaye Shackford's Group For Her Negotiating Solutions Seminar - Second Follow Up

From: <s4s@ix.netcom.com>
To: Melissa N. Robertson <mnr@ivgid.org>
Cc: Dent Matthew <dent_trustee@ivgid.org>, Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>, <ISW@ivgid.org>, <sellingtahoe@sbcglobal.net>
Subject: Public Records Request - Invoicing From and Payments to Kaye Shackford's Group For Her Negotiating Solutions Seminar - Second Follow Up
Date: Mar 18, 2023 8:55 AM

Second follow up Melissa -

Apparently on June 8, 2022 Mike Gove made a \$3,800 charge with this IVGID procurement/charge card to PayPal. This charge is indicated as "Negotiating Solutions Training for IT Director - 100-12-130-7680." And guess who approved Mr. Grove's \$3,800 charge? MR GOVE!

Come on guys (Board members). WHAT MORE DO YOU NEED TO SEE? ALL of these IVGID procurement/charge cards NEED TO GO! ALL OF THEM! Agendize at a future meeting instructing our GM to REVOKE all of these charge cards. And why? BECAUSE WE CANNOT TRUST OUR STAFF (got it Gail?). Is it that simple? YES IT IS. The District is being mis-managed.

Now back to you Melissa. I want to see the invoicing for this \$3,800 Pay Pal charge. I want to see written instructions from Mattford Group to Mr. Gove instructing him to authorize payment via the former's account. Why was there a procurement card charge instead of a check? Why was the charge to Pay Pal versus Mattford Group directly? Why was this charge the SAME month as when fiscal year 2021-22 ended? Why was the invoice pertaining to Kate Nelson's participation dated June 17, 2022 (the same fiscal year)? When was Kate Nelson hired by IVGID (in relation to this charge)? How would she know that this charge was really not acceptable? Why didn't her immediate supervisor, Brad Underwood, step in and STOP this charge?

I have to keep listening to Trustee Noble who time after time after time votes against citizen oversight measures instead asking us to defer to the alleged expertise of our allegedly professional staff. Well wake up and smell the coffee Trustee Noble. WE HAVE NO EXPERT STAFF to defer to. We have no internal controls. We have no professionalism. The District is not run in a professional manner. These are the facts!

Two final matters Board members. First. You think this example is the only one demonstrating mis-management and waste? Of course not. There are many, many other examples we just don't know about because they're hidden. A forensic audit will surely reveal the many more. Isn't it about time?

And second. This crap with Mike Gove, Kate Nelson and Ms. Shackford is evidence that it was included in the 2021-22 budget under training, conferences or whatever. Because it was included, it's now included in the proposed 2023-24 baseline budget because according to staff, that's the starting point for the upcoming budget. Which means that if you approve what Mr. Navazio and Co. are proposing you approve, you're approving funds for employees like Kate Nelson and Mike Grove to make future unsupervised crap expenditures like this one. All at local parcel owners' expenses. Continue all the wrongdoing rather than getting to its genesis and deleting it. You need to put on the breaks to this crap budgeting by forcing staff to identify each and every proposed expenditure included under their services and supplies summaries. And when they refuse, I've already shared the solution to the problem.

ELIMINATE the RFF/BFF subsidies, reduce services and supplies expenditures in the Community Services and Beach Funds by a like amount and when staff balk, tell them to do their jobs and figure it out.

Thank you for your cooperation. Respectfully, Aaron Katz

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

From: <s4s@ix.netcom.com>

Sent: Mar 17, 2023 10:25 PM

To: Melissa N. Robertson <mnr@ivgid.org>

Cc: Dent Matthew <dent_trustee@ivgid.org>, Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>, <ISW@ivgid.org>, <sellingtahoe@sbcglobal.net>

Subject: Public Records Request - Invoicing From and Payments to Kaye Shackford's Group For Her Negotiating Solutions Seminar - Follow Up

Thank you Melissa -

We have a problem here.

You're relying upon your colleagues to do your job. But they're concealors and deceivers (are you reading Gail?). And how would you know the difference? And that's called CONCEALMENT.

Mike Gove was charged \$3,800 to attend Kaye Shackford's seminar. Just the way Kate Nelson was. Mr. Gove knows this to be true. Don't believe me? ASK HIM! And ask MS. HERRON. She knows as well. Because I suspect she is the one doing the concealing behind the scenes. I'm right, aren't I Ms. Herron?

If Mr. Gove was charged \$3,800, he knows that an invoice was generated by Ms. Shackford's Group prior to payment. Don't believe me? ASK MS. Shackford! She knows as well.

IVGID had to issue Ms. Shackford's Group a 1099. So let's have you provide a copy for my examination. I'm betting it will be for at least \$7,600. Let's find out. Shall we? Consider this another records request.

Go to Mr. Navazio. Ask him to do a search of all \$3,800 payments/debits/expenses. I'm guessing he too will be able to provide evidence of the \$3,800 payment to/on behalf of Ms. Shackford. Don't believe me? ASK HIM!

Although I am informed a \$3,800 payment was made to Ms. Shackford's firm, it was NOT via a check. Nor credit card payment. So if one goes through the District's bill pays, one will NOT find evidence of the payment. Surprise, it's called CONCEALMENT!

Moreover, I asked for evidence of not only invoicing, but payment. Although you provided evidence of invoicing for Ms. Nelson's \$3,800, you did not provide evidence of payment as I requested. WHERE ARE THE PAYMENT RECORDS I REQUESTED? Again, it's called CONCEALMENT!

And for Mr. Gove, I want to examine evidence of invoicing for his \$3,800 as well as payment. WHERE IS IT?

And for the Board, besides concealment of public records, here we are going to have evidence that NEARLY \$11,500 OF PUBLIC FUNDS THAT WERE PAID ON THIS CRAP TRAINING (i.e., how to get along with one another. Why don't you ask Ms. Shackford how that knowledge worked out for her insofar as her attempts to get along with me? Why don't you ask her about how I called her to have a civil discussion and in response, SHE HUNG UP HER PHONE ON ME? That's right. Negotiating a solution from a so called expert). THAT'S RIGHT! CRAP. A PAYOFF TO KAYE SHACKFORD to thank her for her allegiance and service. And you won't provide the public records I requested to prove the same. It's called CONCEALMENT.

You'd better do a more conscientious job Melissa, and produce the records I requested to examine which exist. Because otherwise, it's criminal concealment.

Board members. When are you going to get it? When are you going to take action to stop this crap? How about pulling Mr. Gove before the Board on Wednesday and let's ask him if he knows anything about the \$3,800 of District funds which were paid to Ms. Shackford's group? Let's find out who is the liar and who is the truth teller.

Thank you for your cooperation. Aaron Katz

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

From: Melissa N. Robertson <mnr@ivgid.org>

Sent: Mar 17, 2023 8:42 AM

To: s4s@ix.netcom.com <s4s@ix.netcom.com>

Subject: RE: Public Records Request - Payments to Kaye Shackford's Negotiating Solutions Seminar

Hi Mr. Katz,

Staff has provided the attached record in response to your request. Thank you.

Melissa Robertson

District Clerk

Incline Village General Improvement District

893 Southwood Boulevard

Incline Village Nevada 89451

P: 775-832-1268

mnr@ivgid.org

<http://yourtahoeplace.com>

From: s4s@ix.netcom.com <s4s@ix.netcom.com>

Sent: Wednesday, March 15, 2023 3:45 PM

To: Melissa N. Robertson <mnr@ivgid.org>

Cc: Info IVGID <info@ivgid.org>

Subject: Public Records Request - Payments to Kaye Shackford's Negotiating Solutions Seminar

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Attached. Thank you, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR MARCH 22, 2023 MEETING –
AGENDA ITEM F(2) – APPROVING THE EXPENDITURE OF UP TO AN
ADDITIONAL \$50,000 FOR ATTORNEY'S FEES WITH THE BALKEN-
BUSH LAW FIRM FOR ADDITIONAL RECOMMENDATIONS
INSOFAR AS THE BEACH DEED AND ORDINANCE NO.
7 ARE CONCERNED**

Introduction: Well “here’s another one” according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently provided by another district³, or Washoe County, or more preferably, IVGID should simply be dissolved³. However in the interim, and in order to provide evidence in support of dissolution, let’s examine another example of the waste the District engages in which ends up costing local parcel/dwelling unit owners even though this waste has nothing to do with parcel/dwelling unit owners’ “availability” to access and use District recreation and beach facilities and the programs offered thereat⁴. It’s the same old, same old. And here we have another example. The prospect of now spending up to an additional \$50,000 on attorney’s fees associated with addressing beach issues under the beach deed as well as Ordinance No. 7. And these are the purposes of this written statement.

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

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

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

⁴ This is the justification staff claims for its involuntary assessment of the Recreation (“RFF”) and Beach (“BFF”) Facility Fees (go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/G.2._- _Recreation_Standby_and_Service_Charges.pdf).

My E-Mail of March 20, 2023: On March 20, 2023 I sent an e-mail to the Board objecting to staff's proposed expenditure of an additional \$50,000 on attorney's fees associated with the beaches⁵. Rather than re-stating all that is included therein, I simply direct the reader to that e-mail.

Conclusion: \$100,000? Are you people out of your minds? Does this expenditure have anything to do with the costs the District incurs to make the beaches available to local parcel/dwelling unit owners with beach access? And on the Consent Calendar no less? Notwithstanding our chairperson admits this proposed expenditure has not even been budgeted. I trust this proposal is summarily rejected.

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

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

⁵ That e-mail is attached as Exhibit "A" to this written statement.

EXHIBIT "A"

March 22, 2023 IVGID Board Meeting - Agenda Item F(2) - Approving an Additional \$50K Expenditure With the Balkenbush Law Firm For Opinions and Recommendations Relating to the Beach Deed - AND ON THE CONSENT CALENDAR NO LESS!

From: <s4s@ix.netcom.com>
To: "Dent Matthew" <dent_trustee@ivgid.org>
Cc: "Schmitz Sara" <schmitz_trustee@ivgid.org>, "Tonking Michaela" <tonking_trustee@ivgid.org>, "Noble Dave" <noble_trustee@ivgid.org>, "Tulloch Ray" <tulloch_trustee@ivgid.org>, <ISW@ivgid.org>
Subject: March 22, 2023 IVGID Board Meeting - Agenda Item F(2) - Approving an Additional \$50K Expenditure With the Balkenbush Law Firm For Opinions and Recommendations Relating to the Beach Deed - AND ON THE CONSENT CALENDAR NO LESS!
Date: Mar 20, 2023 4:07 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

Here our Board Chairperson is recommending entrance into ANOTHER time and materials legal services agreement with the Balkenbush law firms "as it relates to the beach deed and IVGID beaches" for another NTE \$50K!

So what's the scope of work Matt? "General overall review of processes and procedures as (they) relate...to the beach deed?" "Ordinance No. 7 clean up?" "Review of beach signage language?" "Review of any (additional) proposed revisions to Ordinance 7? AND ON THE CONSENT CALENDAR NO LESS?"

Come on guys. What an incredible WASTE.....

This is not a proper subject for inclusion on the Consent Calendar. It is not adequately described, let alone "routine." So why is it on the Consent Calendar? Please at least one of you trustees remove this matter to the General Business Calendar where it can be discussed and hopefully REJECTED.

Don't you recall that the Ordinance No. 7 Committee asked for a legal opinion of the restrictive use provisions of the beach deed? And instead, the Balkenbush firm was retained to review and approve certain modified language in Ordinance No. 7? And at a cost of \$24K? And then at an additional cost of \$25K? And now another \$50K?

Don't you recall that I urged, in opposition, that the District simply file a NRS 43.100 validation petition whereby all outstanding issues concerning our beaches and the beach deed could be resolved once and for all by a civil judgment rather than attorney opinion? And my suggestion was rejected because of the perceived additional cost and undue delay? Well after spending \$49K and now an additional requested \$50K, we're certainly NOT saving any money. And since well in excess of a year has lapsed since the Balkenbush law firm's initial engagement, it certainly cannot be argued that a NRS 43.100 judicial petition would take longer.

So now that we've learned, why are we proposing to commit the same mistakes? Again?

Let's resolve these beach issues once and for all with a civil judgment (rather than one attorney's opinion) which will survive future IVGID Boards. Hire the Balkenbush firm to file a NRS 43.100(1) validation petition "praying (for) a judicial examination and determination of the validity of any power conferred or of any instrument (like the beach deed or Ordinance No. 7), act or project of the municipality, whether or not such power has been exercised, such instrument has

been executed or otherwise made or such act or project has been taken," or put the matter to rest once and for all.

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR MARCH 22, 2023 MEETING –
AGENDA ITEMS G(1) AND G(2) – ENTRANCE INTO STATE REVOLVING
FUND LOAN CONTRACT WITH NDEP TO FUND PARTIAL REPLACE-
MENT OF PHASE II OF THE EFFLUENT PIPELINE, AND AUTHORIZE
ISSUANCE OF ASSOCIATED REVENUE BOND MEASURE**

Introduction: Well surprise! For one of the very, very few times staff have negotiated an exceptional funding mechanism for construction of a portion of the effluent pipeline project. And I have to give credit where credit is due. And since it's due here, that's the purpose of this written statement.

My E-Mail of March 20, 2023: On March 20, 2023 I sent an e-mail to the Board commenting on this agenda item¹. I did have a scant number of suggestions for modification which were included in the e-mail Rather than re-stating all that is included therein, I simply direct the reader to that e-mail.

Conclusion: Please don't accuse me of never having anything positive to say about our staff. As the reader can see, I give credit when and where it is due. And here it is due. Good job Indra!

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

¹ That e-mail is attached as Exhibit "A" to this written statement.

EXHIBIT "A"

March 22, 2023 IVGID Board Meeting - Agenda Items G(1) and G(2) - Entrance Into State Revolving Fund Loan Contract With NDEP

From: <s4s@ix.netcom.com>
To: "Dent Matthew" <dent_trustee@ivgid.org>
Cc: "Schmitz Sara" <schmitz_trustee@ivgid.org>, "Tonking Michaela" <tonking_trustee@ivgid.org>, "Noble Dave" <noble_trustee@ivgid.org>, "Tulloch Ray" <tulloch_trustee@ivgid.org>, <ISW@ivgid.org>
Subject: March 22, 2023 IVGID Board Meeting - Agenda Items G(1) and G(2) - Entrance Into State Revolving Fund Loan Contract With NDEP
Date: Mar 20, 2023 4:08 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

Here staff propose entering into a contract with the State Nevada Division of Environmental Protection ("NDEP") under the State's Revolving Clean Water Fund ("SRF") to finance construction of a portion of Phase II of the effluent pipeline replacement project (the first \$15.76 million). And UNLIKE my normal criticism because of the incompetence of staff, this time I have some praise to hand out. I'm not sure if our staff deserves the praise or if some of the provisions I will highlight below were volunteered by NDEP, but regardless, praise is due!

Now I don't appreciate the incompetence of staff to date in prosecuting completion of this project in a conscientious manner, but win, lose or draw, we are where we are. So the question; how do we pay for it?

1. The equivalent of a construction loan for \$52.74 million that the District can in essence draw against over a period of up to three (3) years;
2. Which gives the District the flexibility to pursue other funding options such as Army Corps of Engineers "595" funds;
3. A 2.19% thirty (30) year fixed rate loan (an excellent rate) assessable as funds are drawn;
4. Forgiveness of \$240K of said loan [which in essence more than pays for the initial .5% origination fee (\$78,800) and issuance costs (\$82,916)];
5. But understanding that the \$78,800 of loan origination fees are ONLY applicable to the initial \$15.76 million loan. If/when we access the remaining \$36.7 million or so, we're going to be charged an additional \$183,500 or so in loan origination fees. This will bring our total loan origination fees to in excess of \$250K;
6. No security other than a pledge of future utility net rate and charge revenues - making these revenue bonds
7. Initially, yearly debt service requirements of \$715,108 when we in essence have \$2M to spend given this amount was added to our sewer rates ten (10) years ago in anticipation of paying for this project. As long as our loan servicing costs are less than \$2 million annually, there will be no increase to our sewer fees caused as a result of this borrowing;
8. There is a second \$240K loan (see pages 496-501 of the Board packet). Although this loan contract calls for no loan origination fees [see sec 7(3)], no interest (see sec 5), no payments (see sec 6), it too should incorporate the changes (below) proposed for the first contract

Notwithstanding, I do have a couple of minor criticisms the Board might want to instruct staff to pursue/address. They are as follows:

1. Paragraph 1 of both SRF contracts specifies that the loan proceeds will be used to replace segment two of the effluent pipeline project (see page 497 of the Board packet). Technically this means the loan proceeds cannot be used to construct a holding tank as an alternative to an effluent pond liner. Perhaps staff want to expand the description of acceptable work for which loan proceeds are sought to include a pond storage tank? We don't want to unnecessarily handcuff ourselves, do we?

2. Paragraph 2 of both SRF contracts incorporates by reference a series of documents. One of those documents which is not incorporated and I feel should be, is NDEP's March 1, 2023 letter (see page 434 of the Board packet) wherein it makes material representations not included within the the SRF contract itself - such as the commitment to hereafter make an additional \$36.7 million or so in loans at the special interest rate and loan term the subject of our initial loan. There is a concept in contract law called integration. Simply stated, all previous representations and agreements giving rise to a contract are generally incorporated into and supersede by the ultimate contract itself, all prior oral or written representations. Without some language which survives entrance into the two SRF contracts or the incorporation of the March 1, 2023 terms and conditions, I am concerned that NDEP's representations may not be enforceable.

3. Paragraph 4 of the SRF contract specifies that the maximum loan amount is only \$16 million (see page 437 of the Board packet) and not \$52.74 million. If we're relying upon an ultimate \$52.74 million of loan funds, which we are, IMO we need some language which specifies that the NDEP is obligated to loan the additional funds at preferred interest rate and terms. That's why I refer to paragraph 2 above.

That's it! If we can pull this financing off, our staff is to be congratulated.

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR MARCH 22, 2023 MEETING –
AGENDA ITEM G(3) – PROPOSED ADDITIONAL EMPLOYEE INCENTIVES
TO MAKE UP FOR TAKING AWAY BEACH ACCESS**

Introduction: Well “here’s another one” according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently provided by another district³, or Washoe County, or more preferably, IVGID should simply be dissolved³. However in the interim, and in order to provide evidence in support of dissolution, let’s examine another example of the waste the District engages in which ends up costing local parcel/dwelling unit owners even though this waste has nothing to do with parcel/dwelling unit owners’ “availability” to access and use District recreation and beach facilities and the programs offered thereat⁴. it’s the same old, same old. And here we have another example. The prospect of even more benefits being offered to staff, both full time and hourly/seasonal to allegedly make up for the loss of beach privileges. And this is the purpose of this written statement.

My E-Mails of March 20 and 22, 2023: On March 20, 2023 I sent an e-mail to the Board objecting to these proposed additional employee benefits. Because I mis-identified the nature of that

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

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

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

⁴ This is the justification staff claims for its involuntary assessment of the Recreation (“RFF”) and Beach (“BFF”) Facility Fees (go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/G.2._-Recreation_Standby_and_Service_Charges.pdf).

e-mail in the subject line, on March 22, 2023 I sent it again with a new, correct subject line description⁵. As if nearly \$7 million annually isn't adequate to subsidize employee salaries and benefits? We need to subsidize more? I don't think so. Nevertheless, rather than re-stating all that is included therein, I simply direct the reader to that e-mail.

Conclusion: As George Carlin used to say, the level of B.S. "is stunning."⁶ But why would anyone expect anything less from our wonderful staff? I trust this proposal is summarily rejected.

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

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

⁵ These e-mails are attached as Exhibit "A" to this written statement.

⁶ See <https://www.youtube.com/watch?v=eIN36peHz3M>.

EXHIBIT "A"

Re: March 22, 2023 IVGID Board Meeting - Agenda Item G(3) - Approving Additional Employee Benefits to Substitute For Removal of Beach Privileges

From: <s4s@ix.netcom.com>
To: Dent Matthew <dent_trustee@ivgid.org>
Cc: Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Ray Tulloch <raytulloch@munrotulloch.com>, <sellingtahoe@sbcglobal.net>
Subject: Re: March 22, 2023 IVGID Board Meeting - Agenda Item G(3) - Approving Additional Employee Benefits to Substitute For Removal of Beach Privileges
Date: Mar 22, 2023 8:45 AM

Chairperson Dent and Other Honorable Members of the IVGID Board -

Here staff is seeking direction concerning all sorts of "employee incentives" they are proposing to replace the loss of beach privileges, When are you going to put your collective feet down and say NO?

These people are incredible. They think we local parcel owners work for them rather than the other way around. They think they and their co-worker colleagues are the District's most important asset. They tell us that if it weren't for them, we local parcel owners would suffer because then we'd have no one to work at our recreational businesses. Well they're WRONG!

We local parcel owners are the employers, and they are the employees. We set the rules and if they don't like it, go work for Brad Johnson at the NTPUD. You people are ALREADY over compensated and over benefited. You never had the right to access and use OUR beaches unless you owned property in Incline Village and paid the RFF. So the fact you've lost the ability to use those facilities, is NO LOSS TO YOU!

Further, I resent your Erin Feore's disingenuous reference to NON-PUBLICLY OWNED recreational facilities as justification for the proposals she makes. We're NOT a privately owned recreational facility business. So why compare us to these businesses when it comes to ANYTHING?

The only quasi comparable Ms. Feore compares us to is Washoe County. And notably, she makes no distinction between the part time non-benefited county employee and the full time fully benefited one. So her comparisons are INTENTIONALLY DECEITFUL. Deceit is a hallmark of essentially everything our wonderful staff engage in and here again, we see the principle being played out right in front of our noses! Right Gail?

What compensation and benefits do full time county employees receive that our full time employees do not? And what benefits do our employees receive (even the part time non-benefited ones) that the county's do not? How about free or greatly discounted recreation benefits at D.P., our two golf courses, our Tennis Center and the Rec Center? If this isn't enough to retain our current and attract new employees, then I am sorry; nothing more will make a difference.

One more point. Our staff is NOT capable of operating our various public recreational businesses without our subsidy of nearly \$7 million annually. So now they want to INCREASE that subsidy by how much Ms. Feore? According to you, "the financial impact has not yet been determined at this preliminary stage" although you do admit that "there could be budgetary implications." DUH! How about the increase in vacation time by 40 hours or one week you are suggesting? How about the child care reimbursements to our NON-BENEFITED STAFF you are suggesting? Sorry. Your arguments are disingenuous and not warranted.

I urge the Board to resoundly REJECT this measure. If it's not attractive enough to work for IVGID at Lake Tahoe, and to be over paid and over benefited the way our employees are currently compensated, then I say go work for someone else. And if that means we can't continue to operate

3/22/23, 8:46 AM

EarthLink Mail

our commercial business enterprises, WHICH WE HAVE NO BUSINESS OPERATING RIGHT NOW, then so be it! GO OUT OF BUSINESS. Save local parcel owners at least \$780 annually they can use as they wish. And pay them all a dividend realized from a sale of the District's various public recreational venues.

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR MARCH 22, 2023 MEETING –
AGENDA ITEM G(4) – APPROVAL OF MORE SKEWED DOG PARK SURVEY
QUESTIONS INTENDED TO AFFIRM STAFF'S PREFERRED RESULT**

Introduction: Well “here’s another one” according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently provided by another district³, or Washoe County, or more preferably, IVGID should simply be dissolved³. However in the interim, and in order to provide evidence in support of dissolution, let’s examine another example of the waste the District engages in which ends up costing local parcel/dwelling unit owners even though this waste has nothing to do with parcel/dwelling unit owners’ “availability” to access and use District recreation and beach facilities and the programs offered thereat⁴. it’s the same old, same old. And here we have another example. Skewing a proposed survey #1 to be submitted to the community rather than just those local parcel/dwelling unit owners who will be paying the cost concerning a preferred dog park location. And this is the purpose of this written statement.

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

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

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

⁴ This is the justification staff claims for its involuntary assessment of the Recreation (“RFF”) and Beach (“BFF”) Facility Fees (go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/G.2._-_Recreation_Standby_and_Service_Charges.pdf).

My E-Mail of March 20, 2023: On March 20, 2023 I sent an e-mail to the Board objecting to the premise and questions the subject of Indra's proposed dog park survey #1⁵. Rather than re-stating all that is included therein, I simply direct the reader to that e-mail.

Conclusion: This is another proposal which if adopted, has nothing to do with recreational facilities and programs made available for the access and use by those parcels/dwelling units which will be assessed. And it in essence presumes that the proposed dog park be at staff's preferred location, or not at all. In essence giving survey responders no independent choice. For the reasons stated in the attached e-mail, I ask that Indra's proposed survey questions be modified and the pool of responders be restricted to just those who will be asked to pay; local parcel/dwelling unit owners.

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

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

⁵ That e-mail is attached as Exhibit "A" to this written statement.

EXHIBIT "A"

March 22, 2023 IVGID Board Meeting - Agenda Item G(4) - Approval of Proposed Dog Park Committee Survey #1

From: <s4s@ix.netcom.com>
To: Dent Matthew <dent_trustee@ivgid.org>
Cc: Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>
Subject: March 22, 2023 IVGID Board Meeting - Agenda Item G(4) - Approval of Proposed Dog Park Committee Survey #1
Date: Mar 20, 2023 4:10 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

Here our GM seeks "direction" insofar as his and his dog park committee's proposed Survey #1 questions (according to him, there may be a Survey #2).

The survey is stacked for the result our GM wants. Because it basically tells the public there are only two options. Either the Forest Service lot across from the high school, or nothing (i.e., continue to use Village Green). His justification is that his committee reviewed five (5) potential sites, and allegedly narrowed the selection to just two.

Well he's wrong!

First of all, where is it written in stone that the GM's committee can make decisions like these on the public's behalf, and the public is bound to those decisions? So why then are there only two options? And why is the survey limited to just those two options? Why aren't other options presented?

Second of all, the "narrowing" of the two options took place at a meeting where members were not notified ahead of time they would be asked to vote on those options. And at least one and possibly two committee members were unable to attend the meeting. Moreover, I have been informed that at least one of the six resident committee member has resigned from the committee over "artistic differences." Did this member vote when the possible options were narrowed to two?

Moreover still, according to our GM the committee consists of three staff members (Susan Herron, Sheila Leijon and Kari Ferguson), and we don't know if they were allowed to vote. And we don't know what the vote actually was. Knowing this would put the proposed survey into context.

Third of all, the options were not narrowed to just two. They were apparently narrowed to two with a third provisional option - part of the disc golf course adjacent to the Visitor's Center. And why? Because there are serious doubts as to whether the Forest Service lands can be used for this purpose or the cost will be prohibitive, and so the committee wants a provisional option should either come to be.

So why aren't survey questions on the provisional third option presented?

The proposed survey mis-states the truth. The ultimate question will always be, what is the cost to construct a dog park, since local parcel owners will be the ones paying for that construction. And maintenance. And repair. The proposed survey represents the estimated cost will be \$1-\$3 million. Are you for real? \$3 million? \$365 of your Rec Fee (i.e., 100% of the proposed RFF for 2023-24) for each and every parcel owners.

Moreover, \$3 million ISN'T going to be enough. We're going to have to reimburse the Forest Service for all of its administrative costs. We're going to have to pay for an environmental impact statement ("EIS"). \$300K? \$500K? \$800K? \$1 million? We're going to have to provide off street parking which is expensive to construct. The former Community Services master plan opined 30 parking spots. Even if it is only half this much, you're talking a lot of money for parking. We're going to have to provide

bathrooms. One bathroom? Two bathrooms? Three bathrooms (are we woke)? Again. A lot of money. Bottom line, \$3 million ISN'T going to be enough.

The survey suggests part of this cost may be covered by donations. Well I'm here to tell you it may NOT. Don't we remember the propaganda which came from staff regarding donations for an expansion of the Rec Center? At the end of the day we learned there were really no donations because no one ever agreed in writing to such donations. So has anyone agreed in writing to donations for a dog park? Since the answer is no, it's misleading to suggest otherwise.

Finally, the proposed survey suggests it can and will be offered to visitors and members of the general public rather than just those who will be compelled to pay (i.e., local parcel owners). Any survey should be limited to just those local parcel owners who will be the ones made to pay. If we allow any others, then the votes of local parcel owners will be offset by those who will not be paying their fair share.

If we're going to do a survey, let's survey the wants and desires of local parcel owners in a vacuum. Let them tell us rather than we telling them there are only two options. And let's tell those to whom the survey is sent, up front, that they will be the ones told to involuntarily cover the costs associated with such a park. Knowing this up front may change their answers.

Thank you for your consideration. Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR MARCH 22, 2023 MEETING –
AGENDA ITEM G(6) – DIAMOND PEAK'S GENERAL MANAGER'S PRO-
POSED INCREASED DAILY LIFT TICKET AND SEASON PASS RATES
FOR LOCAL PARCEL/DWELLING UNIT OWNERS ASSESSED
RECREATION FACILITY FEES**

Introduction: Well “here’s another one” according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently provided by another district³, or Washoe County, or more preferably, IVGID should simply be dissolved³. However in the interim, and in order to provide evidence in support of dissolution, let’s examine another example of the waste the District engages in which ends up costing local parcel/dwelling unit owners even though this waste has nothing to do with parcel/dwelling unit owners’ “availability” to access and use District recreation and beach facilities and the programs offered thereat⁴. it’s the same old, same old. And here we have another example. Extending preferred pricing to the world’s tourists, while increasing Diamond Peak daily lift ticket and season pass rates to local parcel/dwelling unit owners notwithstanding Ski generates positive cash flow which subsidizes the fees our local golfers pay. And this is the purpose of this written statement.

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

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

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

⁴ This is the justification staff claims for its involuntary assessment of the Recreation (“RFF”) and Beach (“BFF”) Facility Fees (go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/G.2._-_Recreation_Standby_and_Service_Charges.pdf).

My E-Mail of March 20, 2023: On March 20, 2023 I sent an e-mail to the Board objecting to Mr. Bandelin's proposed rate increases and recommending to whom those rates should be increased⁵. Rather than re-stating all that is included therein, I simply direct the reader to that e-mail.

Conclusion: As explained, this proposal is nothing short of a veiled one to further subsidize the costs of golf to our core golfers. But why would anyone expect anything less from our wonderful staff who see their job as parsing out special benefits to special interest groups who will come to staff's defense when necessary? I trust this proposal is either substantially modified or summarily rejected. And for the reasons stated in the attached e-mail, please create new separate, stand alone, Ski, Champ Golf and Mountain Golf enterprise funds.

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

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

⁵ That e-mail is attached as Exhibit "A" to this written statement.

EXHIBIT "A"

March 22, 2023 IVGID Board Meeting - Agenda Items G(6) - Mike Bandelin's Proposed Increased Picture Pass Holder ("PPH") Season Pass Rates Which Unnecessarily Further Subsidize Golf's Money Losing Operations

From: <s4s@ix.netcom.com>
 To: Dent Matthew <dent_trustee@ivgid.org>
 Cc: Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>
 Subject: March 22, 2023 IVGID Board Meeting - Agenda Items G(6) - Mike Bandelin's Proposed Increased Picture Pass Holder ("PPH") Season Pass Rates Which Unnecessarily Further Subsidize Golf's Money Losing Operations
 Date: Mar 20, 2023 4:10 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

Here I take issue with Mike Bandelin's proposed rate increases for the following reasons.

1. Mike tells us there is no need for a rate increase because historically (see page 660 of the Board packet) and for some number of years (at least five to my knowledge), "Diamond Peak('s)...net revenues (have financially)...support(ed) operations, capital and debt requirements for the ski area, AS WELL AS...funding that supports other Community Services venues and programs;"
2. The largest beneficiary of those transfers has been golf which for 2023-24 will be generating a NEGATIVE \$3,417,069 (see page 695 of the Board packet);
3. Only because "PPH season pass rates have remained the same...since the 2012/13 season" (see page 658 of the Board packet), it's time for massive price increases;
4. But because of "an estimated increase in annual operating costs...staff is recommending...a \$10 increase...to daily lift tickets in all categories" (see page 658 of the Board packet);
5. So Mike is recommending daily PPH lift ticket rates increase \$10 (see page 669 of the Board packet):
 - a) from \$25 to \$35 (a 40% increase) but for peak periods when they increase from \$35 to \$45 (a 28% increase) for adults;
 - b) from \$20 to \$30 (a 50% increase) but for peak periods when they increase from \$30 to \$40 (a 33-1/3% increase) for youths;
 - c) from \$15 to \$25 (a 66-2/3%) but for peak periods when they increase from \$20 to \$30 (a 50% increase) for children;
 - d) from \$20 to \$30 (a 50% increase) but for peak periods when they increase from \$30 to \$40 (a 33-1/3% increase) for seniors; and,
 - e) from \$18 to \$28 (A 55.5% increase) but for peak periods when they increase from \$20 to \$30 (a 50% increase) for youths.
6. And he is recommending PPH season pass prices increase (see page 670 of the Board packet) as follows:
 - a) from \$289 to \$319 (a 10% increase) for tier one purchases, from \$319 to \$358 (a 12% increase) for tier two purchases, and from \$349 to \$447 (a 28% increase) for tier three purchases for adults;
 - b) from \$139 to \$248 (a 78% increase) for tier one purchases, from \$159 to \$301 (a 89% increase) for tier two purchases, and from \$189 to \$376 (a 99% increase) for tier three purchases for youths;
 - c) from \$109 to \$148 (a 35% increase) for tier one purchases, from \$129 to \$170 (a 32% increase) for tier two purchases, and from \$149 to \$206 (a 38% increase) for tier three purchases for children;
 - d) from \$109 to \$298 (a 174% increase) for tier one purchases, from \$119 to \$315 (a 165% increase) for tier two purchases, and from \$149 to \$376 (a 153% increase) for tier three purchases for seniors; and,
 - e) from \$29 to \$120 (a 314% increase) for tier one purchases, from \$39 to \$131 (a 235% increase) for tier two purchases, and from \$49 to \$163 (a 233% increase) for tier three purchases for super seniors.
7. Meanwhile Mike is recommending daily non-PPH daily lift ticket rates increase \$10; and,
8. Non-PPH season pass rates increase \$5 (see page 670 of the Board packet) as follows:
 - a) from \$444 to \$449 for tier one purchases, from \$499 to \$504 for tier two purchases, and from \$625 to \$630 for tier three purchases for adults;

- b) from \$344 to \$349 for tier one purchases, from \$419 to \$424 for tier two purchases, and from \$525 to \$530 for tier three purchases for youths;
 - c) from \$204 to \$208 for tier one purchases, from \$234 to \$239 for tier two purchases, and from \$285 to \$290 for tier three purchases for children;
 - d) from \$415 to \$420 for tier one purchases, from \$439 to \$444 for tier two purchases, and from \$525 to \$530 for tier three purchases for seniors; and,
 - e) from \$164 to \$169 for tier one purchases, from \$179 to \$184 for tier two purchases, and from \$225 to \$230 for tier three purchases for super seniors.
9. All of this to generate an additional \$330,192 of estimated PPH season pass revenue (see page 672 of the Board packet); and,
10. \$57,912 of non-PPH season pass revenue (see page 671 of the Board packet).
11. And for what? MORE FINANCIAL SUBSIDIES FOR GOLF!

I believe Mike's PPH season pass revenue estimates for 2023/24 are faulty because they're based upon the same number of sales for this season, notwithstanding the massive increases in costs. I can guaranty you that with the higher PPH season pass pricing, there are going to be LESS PPH season pass sales. How much less? I can't tell you But I wouldn't be surprised that revenues on this product for 2023/24 might even be lower than for 2022/23. Which begs the question, why the price increase?

My recommendation is keep PPH daily lift ticket and season pass pricing WHERE IT IS, and increase comparable non-PPH product by more than the proposed \$5 or \$10. I believe the market will support such increases based upon what our surrounding ski areas are charging. There's no reason to increase PPH pricing other than to further subsidize golf's losses. And IMO, that's NOT a justifiable reason.

Finally, there's one more thing you need to do to STOP staff's wrongdoing. Separate and independently financial reporting of the District's ski operations. I've written of this before. GASB 34 instructs that when a local government's financial particulars are "major" as are the District's ski sub-fund, those particulars MUST be reported in a separate, enterprise fund. Not may. But MUST. And since GASB is responsible for establishing generally acceptable accounting principles ("GAAP") for state and local governments (see GASB 55), and NRS 354.612(2) mandates that the District's financial statements and reporting adhere to GAAP principles, the District has no choice. insofar as creation of a separate ski fund. But not according to Paul Navazio. He wants all recreation sub-funds to be reported as a single Community Services Fund so he can freely use the positive cash flow from ski to subsidize continuing, never ending golf losses! Isn't it about time the Board put its collective feet down and said NO? Creating a new ski fund will in essence stop the District from transferring funds from ski. Otherwise, the positive cash flow the ski fund generates will become just another subsidy for money losing golf. Which is what it is now.

Respectfully submitted, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR MARCH 22, 2023 MEETING –
AGENDA ITEM G(7) – IVGID'S DIRECTOR OF COMMUNITY SERVICES'
PROPOSED MODIFICATIONS TO GOLF RATES WHICH REAFFIRM
LONG TIME STRUCTURAL PREFERENCES AT LOCAL PARCEL/
DWELLING UNIT OWNERS' EXPENSE**

Introduction: Well “here’s another one” according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently provided by another district³, or Washoe County, or more preferably, IVGID should simply be dissolved³. However in the interim, and in order to provide evidence in support of dissolution, let’s examine another example of the waste the District engages in which ends up costing local parcel/dwelling unit owners even though this waste has nothing to do with parcel/dwelling unit owners’ “availability” to access and use District recreation and beach facilities and the programs offered thereat⁴. it’s the same old, same old. And here we have another example. The extension of preferred pricing to our local core golfers based upon a flawed rate structure which ends up continuing to cost local parcel/dwelling unit owners several millions of dollars in subsidies annually. And this is the purpose of this written statement.

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

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

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

⁴ This is the justification staff claims for its involuntary assessment of the Recreation (“RFF”) and Beach (“BFF”) Facility Fees (go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/G.2._-_Recreation_Standby_and_Service_Charges.pdf).

My E-Mail of March 20, 2023: On March 20, 2023 I sent an e-mail to the Board objecting to Mr. Howard's proposed golf rate increases and recommending to whom those rates should be increased⁵. The reaffirmation of a rate structure which continues to grant preferences to local core golfers at the expense of the rest of us, cannot continue. And as a consequence, those rates *per se* are not the problem. The problem is Mr. Howard! Rather than re-stating all that is included therein, I simply direct the reader to that e-mail.

Conclusion: This proposal is nothing short of another benefit extended to local core golfers which further subsidize their costs. But why would anyone expect anything less from our wonderful staff who see their jobs as parsing out special benefits to special interest groups who will come to staff's defense when necessary? And vote for their preferred trustee candidate as long as he/she continues the flow of gravy. I ask the Board take on the real issue at play here. Incompetent senior staff who are grossly over compensated. And for the reasons stated in the attached e-mail, please create new separate, stand alone, Ski, Champ Golf and Mountain Golf enterprise funds.

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

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

⁵ This e-mail is attached as Exhibit "A" to this written statement.

EXHIBIT "A"

March 22, 2023 IVGID Board Meeting - Agenda Item G(7) - It's Time to Terminate Community Services Director Darren Howard as an IVGID Employee.

From: <s4s@ix.netcom.com>
 To: Dent Matthew <dent_trustee@ivgid.org>
 Cc: Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>
 Subject: March 22, 2023 IVGID Board Meeting - Agenda Item G(7) - It's Time to Terminate Community Services Director Darren Howard as an IVGID Employee.
 Date: Mar 20, 2023 4:11 PM

.....
 Chairperson Dent and Other Honorable Members of the IVGID Board -

So finally and belatedly I have just had the opportunity to read the Board packet for next Wednesday's meeting. And the first thing which sticks out to me is the arrogance and incompetence of employee Darren Howard, our Director of Golf aka Director of Community Services. And what I've seen tells me it's time for Mr. Howard to go.

What I've seen on the agenda is a request to keep the charity rates for next season at the DISCOUNTED rates approved last year. In other words, between last meeting and this one Mr. Howard has allowed himself to buckle to the pressure of more takers in our community. The ones who insist on using public recreation facilities, exclusively and at a discount, so they can make money for their flavors of the month at the public's expense. When it was revealed at the last Board meeting that staff is proposing a \$4 million LOSS for golf next season, Mr. Howard is backing off his initial recommendation that the non-profit rate LOSE even more money.

Okay. Let's get the facts on the table.

At the Board's March 8, 2023 meeting Mr. Howard presented his proposed golf rates for the upcoming 2023-24 season. There he informed us, in part, that:

1. Daily green fee rates to non-picture pass holders ("PPHs"), on average, exceeded our fully loaded (operating, overhead, capital and debt service) cost at both courses;
2. Daily green fee rates to a PPH's guest cover our operating and overhead (but NOT capital nor debt service) costs;
3. Daily and season pass rates to PPHs fall well below the previously suggested cost recovery target for play at both courses;
4. Notwithstanding, a proposed 5% increase to daily rates at the Champ Course will cover operating and overhead costs;
5. But a proposed 5% increase in daily rates at the Mountain Course will remain at a level below the cost per round (i.e., they will NOT cover operating and overhead costs);
6. Although non-profit rates to take over exclusive use of our golf courses so they can make money for their particular flavors of the month will cover operational costs ONLY (thus NOT covering overhead, capital nor debt service costs), they will not increase from last year's rates;
7. Discounted season passes will CONTINUE with only a proposed 5% increase in cost;
8. Discounted "couples" season passes will CONTINUE with only a proposed 5% increase in cost;
9. The rest of us will have to again rely upon the Rec Fee to pay for these financial deficiencies (projected at an unbelievable \$4 million!); and,
10. If the Board requires revenues cover ALL operational, overhead, capital and debt service costs, staff will have to come up with a completely different business model.

I and several members of the Board objected. We said that these subsidies cannot continue forever and Mr. Howard should come back with a completely different business model.

So what did he come back with?

1. Retention of the current basic rate structure giving the Board the option of increasing daily rates at both courses by either 5%, 8% or 11% (NONE of which will result in either course covering its operational, overhead, capital and debt service costs combined);
2. In my opinion this is no example of a professional giving a professional's opinion. Rather, Mr. Howard has thrown out a meager 5% increase and when he got blow back, he threw out two other proposed increases and then told the Board, you guys figure it out;
3. Rather than eliminating discounted PPH guest rates, continuing them with the Board determining either a 5%, 8%, or 11% increase;
4. Rather than eliminating discounted non-profit rates to take over exclusive use of our golf courses so they can make money for their particular flavors of the month, altogether, continue these rates to only cover operational (thus NOT covering overhead, capital nor debt service) costs;
5. Rather than eliminating discounted play/season passes, continuing them with the Board determining either a 5%, 8%, or 11% increase;
6. Rather than eliminating discounted couples season passes, continuing them with the Board determining either a 5%, 8%, or 11% increase;
7. Continuing to tell the rest of us that we will have to again rely upon the Rec Fee to pay for these financial deficiencies (projected at an unbelievable \$3,417,069 (see page 695 of the Board packet); and,
8. Continuing to tell the Board that if it requires revenues cover ALL operational, overhead, capital and debt service costs, staff will have to come up with a completely different business model.

On March 8, 2023 Mr. Howard told us that our cost per round at the Champ Course was \$136.19 assuming 24,632 rounds (see page 605 of the Board packet for that meeting). Now he tells us the cost has magically gone down to \$121.13 assuming 27,693 rounds (see page 675 of the Board packet). Estimated revenue at a 5% rate increase, according to Mr. Howard, is \$103.78. At an 8% increase it's \$108.12. And at an 11% increase, it's \$109.24. In other words, assuming we sell MORE than 3,000 additional rounds at the Champ Course this year versus last, and even with an 11% rate increase, Mr. Howard is suggesting the rest of us subsidize Champ Course green fees to the tune of \$11.89/round times 27,693 rounds = \$329,270 assuming we increase rates by 11% and don't lose any of our paid rounds as a result.

Similarly, on March 8, 2023 Mr. Howard told us that our cost per round at the Mountain Course was \$73.80 assuming 17,435 rounds (see page 606 of the Board packet for that meeting). Now he tells us the cost has gone down to \$72.29 assuming the same roughly 17,800 rounds (see page 676 of the Board packet). Estimated revenue at a 5% rate increase, according to Mr. Howard, is \$44.56. At an 8% increase it's \$45.78. And at an 11% increase, it's \$46.99. In other words, Mr. Howard is suggesting the rest of us subsidize Mountain Course green fees to the tune of \$25.30/round times 17,800 rounds = \$450,340 assuming we increase rates by 11% and don't lose any of our paid rounds as a result.

And as an alternative, what does Mr. Howard tell us at page 677 of the Board packet? "NONE!"

Well I'm no golf professional, and here are my recommendations:

1. Increase rates at both courses by 11%;
2. Eliminate discounted PPH guest rates altogether. We offer no such rates at any of our other recreational venues;
4. Eliminate discounted non-profit rates to take over exclusive use of our golf courses so they can make money for their particular flavors of the month, altogether. We don't exist to be giving discounts to non-parcel owners, especially where they don't cover our actual costs. And for the meager loss of a couple of thousand dollars/event, we don't need the additional revenue (and besides, we'd probably generate more revenues selling rounds to the general public). Let these non-profits hold their charity events at someone else's private golf course. And in response to those who complain the members of these non-profits are local parcel owners too, I say then YOU cover the loss of revenue yourself;
5. Eliminate discounted play/season passes altogether. Pay for what you use and if you're not going to play, leave our golf courses available to be used by the rest of us. The product will no longer exist;

6. Eliminate discounted couples season passes altogether. The product will no longer exist; and,
 7. We can eliminate other ancillary money losing operations (like club rentals, lessons, bar cart sales, the Grille Restaurant, catering sales, to of the line lithium battery carts, etc.) as well.

Mr. Howard's recommendations are UNACCEPTABLE. And it is evidence Mr. Howard needs to go. Let me provide one more example.

I shared that on March 8, 2023 Mr. Howard told us that our cost per round at the Champ Course was \$136.19 assuming 24,632 rounds. Now he tells us the cost has magically gone down to \$121.13 assuming 27,693 rounds. So he is proposing a rate increase of 11% which will spur an estimated nearly 12.5% increase in rounds of golf? All he's doing is playing games with the numbers.

So let's call a spade a spade. Mr. Howard is the equivalent of a "B" or "C" actor in the movie business, if golf were the movie business, when it comes to professional golf, he's probably good but just not good enough.

In the private sector, what kind of golf job could Mr. Howard expect to secure, and at what compensation? A golf pro working in a pro shop at minimum wage. Plus maybe whatever else he could earn on a percentage of lessons/tips. The average being maybe \$65K annually. Don't believe me? Go to <https://www.ziprecruiter.com/Salaries/What-is-the-Average-Golf-Pro-Shop-Salary-by-State>. Or https://www.glassdoor.com/Salaries/pgs-head-golf-professional-pro-shop-manager-salary-SRCH_KO0,43.htm. And remember, if he had a job at a private course which in the winter would have to close down because of weather (other than IVGID), his job would be seasonal. And he wouldn't even be paid these less than stellar numbers. And he probably wouldn't be offered benefits.

And what are we paying Mr. Howard? An annual salary approaching \$150K or more plus benefits. This is OUTRAGEOUS! He needs to go.

Oh but Mr. Howard is the Director of Community Services. Not just golf. Is that like being a Director of Food and Beverage? Or Admin Services? Or Parks and Recreation? I don't care about the disingenuous label, and neither should you. Bottom line he's nothing more than a golf guy. Why do we need a Director of Community Services and then separate Directors/their equivalent at golf, Parks and Rec, Food and Beverage, ski, etc?

And then we have to endure someone who refuses to recommend expenditures which will allow for our golf courses to operate revenue neutrally because of pressure from special interest groups in our community. DISGUSTING! A sweet deal for local non-profits at below our operational costs? A sweet deal for local private club members at below our operational costs? Retention of special rates for guests of PPHs at below our costs? Retention of couples rates for season passes at below our costs? Retention of unlimited season passes at way below our costs?

I'm sorry. We don't need employees like this. The only thing that's "professional" about them is the fact they charge us money in consideration for their using the label "professional" as in PGA.

Let me share another reason why Mr. Howard needs to go.

Don't you remember that at the last Board meeting Trustee Schmitz asked if Mr. Howard could and would provide separate financials for each of golf's various ancillary operations bundled into golf and he answered yes? You know. Separate financials for: the Champ Course range; lessons at both golf courses; club rentals at both golf courses; the Grille Restaurant; Food and Beverage at the Mountain Course; bar cart service at both golf courses; rounds of golf at each golf course; merchandise sales at each golf course; etc. So where are those financials Mr. Howard? After all, you're quick to provide projected net revenue numbers (what's a net versus gross number?) for range fees, lessons, merchandise sales, club rentals, food sales, beer sales, wine sales, and liquor sales at page 692 of the Board packet. So where are the complete projected financials? And we're supposed to accept those financials even though they're based upon a projected one year increase of \$780,012 or 22.8% at the Champ Course (see page 692 of the Board packet), and a one year increase of \$201,187 or 22.95% at the Mountain Course (see page 693 of the Board packet)? Like I said. I don't believe you!

Instead you report "golf operations" including "pro shop" and "food and beverage" operations only. At page 694 of the packet of materials for this meeting, Mr. Howard purports to provide us with those financials but only for merchandise and food and beverage sales. What about those other ancillary MONEY LOSING functions at our golf courses? Where are those financials?

And let's deal with the financials Mr. Howard shares for merchandise and food and beverage sales. I DON'T BELIEVE YOU MR. HOWARD. And the particulars are incredibly scant. I want to know a breakdown of the expenses you are including because I am certain they're not all there. For instance, are central services costs included as an expense? What about Darren Howard overhead? What about real property and equipment overhead? I could go on and on but bottom line, I don't believe Mr. Howard's numbers for a New York minute. And neither should you!

But let's be kind to Mr. Howard. Let's accept his expense numbers as being gospel. He has told us that last fiscal year, the Champ Course actually LOST \$25,365 in food and beverage operations. Yet for this fiscal year we've only LOST \$4,154 in food and beverage operations. But these are BUDGETED losses. Not actual ones. We don't yet know the actual number but I'm guessing the LOSS will be a whole lot more than \$4,154.

Let's go through the same inquiry for the Mountain Course. Last fiscal year we allegedly made a profit of \$23,834? And this year we're budgeted to make a \$17,172 profit? On roughly \$86K of gross sales? Does anyone really, really believe these numbers?

And by the way, why should the public put up with ANY LOSS? If you can't operate these functions at a break even or positive cash flow, then ELIMINATE THEM!

Let's go through the same type of inquiry for merchandise sales. Mr. Howard has told us that last fiscal year, the Champ Course actually made a \$148,098 profit on merchandise sales. Yet for this fiscal year we're only budgeted to make \$27,388. An 81.5% REDUCTION in profits in a single year? That tells me the \$148,098 number was pure fantasy..

Let's go through the same inquiry for the Mountain Course. Last fiscal year we allegedly made a profit of...are you ready for this one...\$530. And this year we're budgeted to make a \$3,743 profit. Again, does anyone really, really believe these numbers? And even if you do, it's not worth putting the public at financial risk for \$500 or \$3,700 of potential profit!

Because Mr. Howard has not presented a COMPLETE picture of golf operations, as he was requested to do at the last Board meeting, this is an addition reason for the Board to say "you're fired." What arrogance!

So you see, this agenda item is really not about golf rates for next season. It's really a referendum on another overpaid under qualified and deceitful public employee who owes his allegiance to his public employee colleagues and special interest private golf club members than we local parcel owners.. Please do your jobs and terminate Mr. Howard. And do away with the unfair preferences to private golf club members and local non-profits as I have suggested.

There's one more thing you need to do to STOP staff's wrongdoing. Separate and independently financially report the District's golf operations. I've written of this before. GASB 34 instructs that when a local government's financial particulars are "major" as are the District's golf sub-funds, those particulars MUST be reported in a separate, enterprise fund. Not may. But MUST. And since GASB is responsible for establishing generally acceptable accounting principles ("GAAP") for state and local governments (see GASB 55), and NRS 354.612(2) mandates that the District's financial statements and reporting adhere to GAAP principles, the District has no choice insofar as creation of a separate fund. But not according to Darren Howard. He wants all recreation sub-funds reported as a single Community Services Fund so he can freely use the positive cash flow from ski to subsidize his continuing golf losses! Isn't it about time the Board put its collective feet down and said NO? Creating a new golf fund or possibly two of them (one for the Champ Course and the other for the Mountain Course) will in essence stop the District from transferring funds from ski. Otherwise, the positive cash flow the ski fund generates will become just another subsidy for money losing golf. Which is what it is now. Thank you Mr. Howard the head of Community Services!

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR MARCH 22, 2023 MEETING –
AGENDA ITEM E – THE BASIC STRUCTURAL BUDGETARY PROBLEMS
LOCAL PARCEL/DWELLING UNIT OWNERS FACE WHICH REQUIRE
ADDRESSING – #1 – THE DISTRICT'S FAILURE TO SEPARATELY
REPORT THREE "MAJOR" FUNDS. SKI, CHAMP GOLF AND
MOUNTAIN GOLF**

Introduction: Well "here's another one" according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently provided by another district³, or Washoe County, or more preferably, IVGID should simply be dissolved³. However in the interim, and in order to provide evidence in support of dissolution, let's examine another example of the waste the District engages in which ends up costing local parcel/dwelling unit owners even though this waste has nothing to do with parcel/dwelling unit owners' "availability" to access and use District recreation and beach facilities and the programs offered thereat⁴. It's the same old, same old. And here we have another example. Presentation of a proposed budget which perpetuates a basic structure flaw by premising all calculations upon fund reporting which fails to separately report at least three major funds. And that's the purpose of this written statement.

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

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

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

⁴ This is the justification staff claims for its involuntary assessment of the Recreation ("RFF") and Beach ("BFF") Facility Fees (go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/G.2._- _Recreation_Standby_and_Service_Charges.pdf).

My E-Mail of March 20, 2023: On March 20, 2023 I sent an e-mail to the Board objecting to one of the basic structures of the District's budget – the failure to separately report at least three (3) major funds⁵. Rather than re-stating all that is included therein, I simply direct the reader to that e-mail.

Conclusion: NRS 354.613 makes it unlawful to transfer funds from an enterprise fund except under very specific circumstances. But it doesn't prohibit transfers amongst sub-funds within an enterprise fund for any reasons whatsoever. And that's what we have here. The District is able to circumvent the protections of NRS 354.613 by combining what should be separate major funds into one, and then freely transferring. Which allows positive cash flow from Ski to be transferred to money losing golf. For the reasons stated in the attached e-mail, I ask that any new budget incorporate a revised major fund structure which separately reports Ski, Champ Golf and Mountain Golf.

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

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

⁵ That e-mail is attached as Exhibit "A" to this written statement.

EXHIBIT "A"

March 22, 2023 IVGID Board Meeting - Agenda Item E - Problems With Staff's Proposed Budget (Workshop) - #1 - The Failure to Create New Ski, Champ Golf and Mountain Golf Major Funds

From: <s4s@ix.netcom.com>
To: "Dent Matthew" <dent_trustee@ivgid.org>
Cc: "Schmitz Sara" <schmitz_trustee@ivgid.org>, "Tonking Michaela" <tonking_trustee@ivgid.org>, "Noble Dave" <noble_trustee@ivgid.org>, "Tulloch Ray" <tulloch_trustee@ivgid.org>
Subject: March 22, 2023 IVGID Board Meeting - Agenda Item E - Problems With Staff's Proposed Budget (Workshop) - #1 - The Failure to Create New Ski, Champ Golf and Mountain Golf Major Funds
Date: Mar 20, 2023 4:12 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

This agenda item is labeled as a third "Budget Workshop." Because its structure perpetuates EVERYTHING that's wrong with our budgets, I submit my criticisms. And because those criticisms are targeted to specific aspects of staff's recommendations, I shall deal with them piecemeal. And this is the first. Staff's failure to create at least two and possibly three new "major" enterprise funds; Ski, Golf and possibly Champ Golf and Mountain Golf.

As I've argued before, the Governmental Accounting Standards Board's ("GASB's") "primary role...is to establish and improve standards of state and local governmental accounting and financial reporting that will result in useful information for users of financial reports and educate stakeholders on how to most effectively understand and implement those standards. The users of financial statements include legislators and their staff at the state, county, and local level; municipal bond insurers, buy- and sell-side analysts, rating agencies, mutual funds, and other bond market participants; citizen and taxpayer groups, service advocates, and community organizations; research institutes, think tanks, and professors and students; among others, as well as the general public." Simply stated, if you're a local or state government and you adhere to generally accepted accounting principles ("GAAP"), you are bound to GASB's pronouncements. And since local governments in Nevada are required to adhere to GAAP [NRS 354.612(2)], GASB's pronouncements apply to IVGID.

GASB 34 instructs that when a local government's financial particulars are "major" as are the District's golf sub-funds, those particulars MUST be reported in a separate, enterprise fund. Not may. But MUST. And since GASB is responsible for establishing GAAP for state and local governments (see GASB 55), and NRS 354.612(2) mandates that the District's financial statements and reporting adhere to GAAP principles, the District has no choice insofar as creation of a separate fund. But not according to staff, they want all recreation sub-funds reported as a single Community Services Fund so they can freely use the positive cash flow from ski to subsidize his continuing losses from golf! But if they were separate funds, NRS 354.626(1) would prohibit such transfers.

We need these major funds to all be made separate. This will prevent ski from subsidizing golf. And it will more clearly disclose to the public how much money golf is losing. In other words, \$3,417,069 (see page 695 of the Board packet). And it's only that small an amount because Mike Bandelin has suggested that local parcel owners' picture pass holder ("PPH") season pass rates at Diamond Peak massively increase (see my companion written statement on this subject).

Respectively, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR MARCH 22, 2023 MEETING –
AGENDA ITEM E – THE BASIC STRUCTURAL BUDGETARY PROBLEMS
LOCAL PARCEL/DWELLING UNIT OWNERS FACE WHICH REQUIRE
ADDRESSING – #2 – THROWING OUT STAFF'S STARTER OF
LAST FISCAL YEAR'S "BASELINE" BUDGET AND STARTING
ANEW WITH A "ZERO-BASED" BUDGET**

Introduction: Well "here's another one" according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently provided by another district³, or Washoe County, or more preferably, IVGID should simply be dissolved³. However in the interim, and in order to provide evidence in support of dissolution, let's examine another example of the waste the District engages in which ends up costing local parcel/dwelling unit owners even though this waste has nothing to do with parcel/dwelling unit owners' "availability" to access and use District recreation and beach facilities and the programs offered thereat⁴. it's the same old, same old. And here we have another example. Presentation of a proposed budget which perpetuates a basic structure flaw by premising all calculations upon all the flaws of last fiscal year's "baseline" budget. And that's the purpose of this written statement.

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

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

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

⁴ This is the justification staff claims for its involuntary assessment of the Recreation ("RFF") and Beach ("BFF") Facility Fees (go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/G.2._- _Recreation_Standby_and_Service_Charges.pdf).

My E-Mail of March 20, 2023: On March 20, 2023 I sent an e-mail to the Board objecting to one of the basic structures of the District's budget – reliance upon last fiscal year's "baseline" budget as a starter rather than starting anew with a "zero-based" budget⁵. Rather than re-stating all that is included therein, I simply direct the reader to that e-mail.

Conclusion: Starting out with last fiscal year's flawed baseline budget as a given, only perpetuates the wrongs which have accumulated over past years, It doesn't take a fresh new look which is what would happen if the Board were insisting upon a zero-based budget. It doesn't address the wrongs of the past and basically results in that familiar phrase, "garbage-in-garbage-out!" For the reasons stated in the attached e-mail, I ask that any new budget start from ground zero. Identify and question each and every proposed expenditure to ensure it is necessary, reasonably staffed and fairly priced. Because things as they present stand are not.

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

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

⁵ That e-mail is attached as Exhibit "A" to this written statement.

EXHIBIT "A"

March 22, 2023 IVGID Board Meeting - Agenda Item E - Problems With Staff's Proposed Budget (Workshop) - #2 - Starting Out With a Baseline Budget

From: <s4s@ix.netcom.com>
To: Dent Matthew <dent_trustee@ivgid.org>
Cc: Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Ray Tulloch <ray@tulloch4ivgidtrustee.com>
Subject: March 22, 2023 IVGID Board Meeting - Agenda Item E - Problems With Staff's Proposed Budget (Workshop) - #2 - Starting Out With a Baseline Budget
Date: Mar 20, 2023 4:13 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

This agenda item is labeled as a third "Budget Workshop." Because its structure perpetuates EVERYTHING that's wrong with our budgets, I submit my criticisms. And because those criticisms are targeted to specific aspects of staff's recommendations, I shall deal with them piecemeal. And this is the second. Staff's use of a baseline budget as starters to add onto for a 2023/24 budget.

Mr. Navazio is a deceitful person. Just like his predecessor Gerry Eick. He seeks his roll as to be an accommodator for his boss Indra, and so he compromises his integrity to make the District's finances work. And here we see the first of many examples of this principle.tells us that

Mr. Navazio starts out with a baseline budget, and then adds perceived increased costs and pet modifications. The baseline budget is really 2022/23's, modified for known adjustments. But for purposes of this discussion, Mr. Navazio starts out with last year's budget with all its flaws and misguided assumptions. You can see this at page 20 of the Board packet. Look how the first 2023/24 column presented is labeled."baseline budget." And look how Mr. Navazio adds on to it.

For years I and others have been calling for a zero based budget. This is one which starts with zero and then adds on to it with necessary expenses and actual anticipated revenues. A baseline budget is a waste. And as long as Mr. Navazio is going to use it as the foundation for 2023/24 it's a waste and I object. Mr. Navazio needs to be instructed to start out with a zero based budget.0

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR MARCH 22, 2023 MEETING –
AGENDA ITEM E – THE BASIC STRUCTURAL BUDGETARY PROBLEMS
LOCAL PARCEL/DWELLING UNIT OWNERS FACE WHICH REQUIRE
ADDRESSING – #3 – DISINGENUOUSLY INCREASING CENTRAL
SERVICES COST TRANSFERS TO THE GENERAL FUND TO PAY
FOR GENERAL GOVERNMENTAL SERVICES – PUBLIC PARKS
AND ATHLETIC FIELDS USED FREELY BY THE GENERAL
PUBLIC AS A WHOLE**

Introduction: Well “here’s another one” according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently provided by another district³, or Washoe County, or more preferably, IVGID should simply be dissolved³. However in the interim, and in order to provide evidence in support of dissolution, let’s examine another example of the waste the District engages in which ends up costing local parcel/dwelling unit owners even though this waste has nothing to do with parcel/dwelling unit owners’ “availability” to access and use District recreation and beach facilities and the programs offered thereat⁴. it’s the same old, same old. And here we have another example. Presentation of a proposed budget which perpetuates a basic structure flaw by

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premising all calculations upon all the flaws of last fiscal year's "baseline" budget. And that's the purpose of this written statement.

My E-Mail of March 20, 2023: On March 20, 2023 I sent an e-mail to the Board objecting to one of the basic structures of the District's budget – reliance upon last fiscal year's "baseline" budget as a starter rather than starting anew with a "zero-based" budget⁵. Rather than re-stating all that is included therein, I simply direct the reader to that e-mail.

Conclusion: Starting out with last fiscal year's flawed baseline budget as a given, only perpetuates the wrongs which have accumulated over past years, It doesn't take a fresh new look which is what would happen if the Board were insisting upon a zero-based budget. It doesn't address the wrongs of the past and basically results in that familiar phrase, "garbage-in-garbage-out!" For the reasons stated in the attached e-mail, I ask that any new budget start from ground zero. Identify and question each and every proposed expenditure to ensure it is necessary, reasonably staffed and fairly priced. Because things as they presently stand are not.

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

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

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EXHIBIT "A"

March 22, 2023 IVGID Board Meeting - Agenda Item E - Problems With Staff's Proposed Budget (Workshop) - #3 - Massive Modified Central Services Cost Transfers to Pay For Public Parks and Athletic Field Expenses Transferred to the General Fund

From: <s4s@ix.netcom.com>
To: Dent Matthew <dent_trustee@ivgid.org>
Cc: Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>
Subject: March 22, 2023 IVGID Board Meeting - Agenda Item E - Problems With Staff's Proposed Budget (Workshop) - #3 - Massive Modified Central Services Cost Transfers to Pay For Public Parks and Athletic Field Expenses Transferred to the General Fund
Date: Mar 20, 2023 8:34 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

This agenda item is labeled as a third "Budget Workshop." Because its structure perpetuates EVERYTHING that's wrong with our budgets, I submit my criticisms. And because those criticisms are targeted to specific aspects of staff's recommendations, I shall deal with them piecemeal. And this is the second. Staff's massive increase in central services cost transfers to pay for the expenses associated with the District's parks and athletic fields now that they have been transferred to the General Fund.

Mr. Navazio is a deceitful person. Just like his predecessor Gerry Eick. He seeks his roll as to be an accommodator for his boss Indra, and so he compromises his integrity to make the District's finances work. And here we see the second of the many examples of this principle.

1. On February 20, 2023 I warned the Board that Mr. Navazio would do what he has now done now. And that was that rather than reduce overspending to live within the District's means, he would disingenuously increase central services cost transfers by more than \$1 million annually, to make up for the lack of revenues available to pay for the public park and athletic field expenses he was transferring to the General Fund because Trustee Schmitz and others did not feel it was appropriate to charge local parcel owners for public facilities available to the general public as a whole.

2. And for those of you who may have not read the e-mail, it is available at pages 361-363 of the Board packet for the upcoming March 22, 2023 meeting ["the 3/22/2023 Board packet (agenda item F3)]. Suspecting that Mr. Navazio would do what he has done, I wanted to preserve a record of my warning. So I attached it as an exhibit to one of my written statements attached to the minutes of the Board's February 22, 2023 meeting (see pages 358-360 of the 3/22/2023 Board packet).

3. Where a local government seeks to justify transfers from one or more of its enterprise funds "for a cost allocation for employees, equipment or other resources related to the purpose of the enterprise fund," NRS 354.613(1)(c) instructs that the cost allocation must be "approved by the governing body under a non-consent item that is separately listed on the agenda for a regular meeting of the governing body." Since this is the justification for the District's proposed central services cost plan, what needs to be established for the Board to render its approval? I will address this question below but in the interim, let's continue with my analysis.

4. Page 12 of the 3/22/2023 Board packet represents Mr. Navazio's proposed central services cost plan for 2023-24. Note where he proposes that \$3,046,198 be transferred from the District's Utility, Community Services and Beach Funds to allegedly pay for legitimate 2023-24 central services costs "for a cost allocation for employees, equipment or other resources related to the purpose of the enterprise fund" [see NRS 354.612(1)(c)].

5. Let's compare this plan, shall we, to the central services cost plan approved for 2022-23. That plan appears at page 045 of the packet of materials prepared by staff in anticipation of the Board's May 26, 2022 meeting ("the 5/26/2022 Board packet"). There we see that based upon Mr. Navazio's

recommendation, the Board approved \$1,887,589 of transfers from the District's Utility, Community Services and Beach Funds to allegedly pay for legitimate 2023-24 central services costs "for a cost allocation for employees, equipment or other resources related to the purpose of the enterprise fund."

6. That mean that within a single fiscal year, the District's legitimate central services costs have allegedly increased by an unbelievable 61.38% or \$1,158,609.

7. Page 26 of the 3/22/2023 Board packet represents Mr. Navazio's summary of revenues and expenses assigned to "Parks" now part of the General Fund. There you will see where he estimates there will be \$2,135,358 of negative cash flow. Of which \$1,683,500 will be assigned to capital improvement projects. Meaning the portion of negative cash flow attributable to operations will be \$451,858.

8. But wait! The amount of estimated negative cash flow is really more than the bottom line \$2,135,358 represented. It's really \$603,500 in Facility Fees allegedly earmarked for this "Parks" sub-fund. So let's take this revenue source out of the equation and then we see that the total amount of estimated operational negative cash flow totals \$1,055,358.

9. Now compare this \$1,055,358 of additional operational expenses associated with "Parks" now assigned to the General Fund, and the central services costs transfer increase of \$1,158,609 above. They're within \$100,000 of one another.

10. Let's see if we can get the two numbers to match exactly. I think we can get close. At page 24 of the 3/22/2023 Board packet Mr. Navazio tells us that the Revenue Sources for this "Parks" summary "include facility fees, inter-fund transfers and facility rentals." Okay. Do we see an inter-fund transfer revenue entry on the summary Mr. Navazio has prepared? I believe we do. It appears on page 26 of the 3/22/2023 Board packet and it's called "interfund services" revenue (exactly what "services" the cost of which is assigned to "Parks" do we furnish to other District Funds?). And how much is it? \$112,600. If this figure represents an artificial revenue source/subsidy like facility fees to reduce the amount of operational expenses reported, it means that the operational expenses associated with "Parks" should be increased by a like amount. Which means total additional operational expenses associated with "Parks" now assigned to the General Fund total \$1,167,358. Now compare this number to the \$1,158.609 of central services costs transfers. THEY'RE ESSENTIALLY IDENTICAL!

11. Which means that rather than legitimate General Fund revenues, the source of revenue necessary to assign "Parks" expenses to the General Fund becomes the increase in central services costs transfers JUST AS I HAVE PREDICTED!

12. Dirty, dirty Mr. Navazio!

13. Okay. Let's return to the question of what needs to be established for the Board to render its approval of Mr. Navazio's central services cost allocation plan? Staff won't share the truth with the Board but I will. There are regulations which have been adopted by the Committee on Local Government Finance which provides guidance. And they appear at NAC 354.865, et seq. Have any of you ever read these regulations? Have staff EVER presented evidence to the Board which supports the requirements of these regulations? Then how can you possibly approve Mr. Navazio's proposed central services cost allocation plan?

14. So let's get all of these regulations on the table so we can all be on the same page. Okay? I have listed them in my February 20, 2023 e-mail to the Board: Those that:

- a. Result in "an equitable distribution of general, overhead, administrative and similar costs of the local government;"
- b. Only allocate costs for services and property that have been properly "assignable or chargeable to the cost objective(s) of th(os)e (enterprise) fund(s) from which an allocation has been made;"
- c. Only allocate indirect costs for services and property provided "on a centralized basis;"
- d. In any manner allocate payments for any "costs which are billable directly to a specific department, agency or enterprise fund;"

- e. Are "necessary and reasonable for the proper and efficient administration and performance of the enterprise fund(s)" from which an allocation has been made;
- f. Are "of a type generally recognized as ordinary and necessary for the operation of the (enterprise) fund(s)" for which an allocation has been made;
- g. Are reasonable insofar as "market prices for comparable services or property" are concerned;
- h. Are "consistent with sound business practices;"
- i. Are "consistent with...uniform...policies, regulations and procedures;"
- j. Are the product of "prudence under the circumstances considering (staff's) responsibilities to each pertinent governmental unit (against which they have assessed)...its employees, and...the general public;"
- k. Have been "adequately...documented...for independent verification;" and,
- l. Have been "determined in accordance with generally accepted accounting principles" ("GAAP").

15. Do any of you think that the \$3,046,198 Mr. Navazio proposes transferring satisfies *any* of these mandatory requirements? Are they reasonable? Necessary? Prudent? Ordinary and in line with market prices for comparable services? Consistent with sound business practices? Other than being the means to justify the necessary end result, has the Board even asked just one of these questions? Has staff provided answers? Of course not. Because these transfers are required regardless of how one gets to the bottom line answer. I submit there is no justification whatsoever for any of these proposed transfers. And it's staff's job to find to the contrary! So staff, DO YOUR JOB. And Board, don't let staff get away without doing their job!

16. Let me share with each of you one more fact which SCREAMS that Mr. Navazio's alleged central services cost allocation plan is phony. Return to Mr. Navazio's plan at page 12 of the 3/22/2023 Board packet. Take a look at the column for the Utility Fund. 41.2 full time equivalent employees ("FTEs"), and \$927,930 proposed to be charge for its fair and equitable share of the central services the General Fund allegedly furnishes to Utility. Do you know that at least four of the FTEs whose costs are assigned to the Utility Fund are business office employees? And they work in their own Public Works building on Sweetwater. And they have their own computers, software, communications system, etc. They outsource their billings and process payments for the water and sewer services the District furnishes. The turnover in Public Works is almost non-existent. Employees remain with the District for decades. So the HR Services the General Fund allegedly furnishes to the District's Utility Fund are essentially non-existent.

So you tell me. What services provided by the General Fund are provided to the 41.2 employees who work out of Public Works? If Public Works had to outsource those services and pay for them to the private sector, what sort of costs do you think they would incur? How much do you think it would cost to outsource payroll for 41.2 Public Works employees? Could our business office purchase some payroll software and simply perform this function themselves? And how would those costs compare to the nearly \$928K Mr. Navazio proposes charging the Utility Fund? The answers to these questions just don't pass the smell test. No matter who is doing the smelling. It's phony to the nth degree every which way one looks. Which means these are NOT legitimate central services transfers. Which means they are unlawful ones. These are the facts.

17. I keep telling you that it doesn't matter what it is when it comes to IVGID. The more one peels away the layers of the onion, the closer one gets to a core of evil, lies, deception and waste. And here we have yet another example of the same principle~

I urge each of you to **REJECT** Mr. Navazio's so called preferred means to deal with funding of our public parks after assigning their costs to the General Fund. And to call it out for what it really is. **REJECT** Mr. Navazio's central services cost allocation plan which you're required by the NRS to approve. Tell staff to come up with some other means of covering the financial shortfall Mr. Navazio proposes for the General Fund. That's his job! I sincerely doubt that when Trustee Schmitz suggested public park expenses be assigned to and paid from existing General Fund tax revenues, she had in mind that staff would come up with a disingenuous and deceitful alternative to cost cutting to come up with the financial means to pay for it [although I sure did because I know who these people are (are you listening Gail and Whiner Riner?)]. If that's all we're going to do, then I say do nothing. Leave things as they are even though they are terribly wrong. They're nothing more than that con with three pods and a pea which has been performed for decades on the streets of New York.

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR MARCH 22, 2023 MEETING –
AGENDA ITEM E – THE BASIC STRUCTURAL BUDGETARY PROBLEMS
LOCAL PARCEL/DWELLING UNIT OWNERS FACE WHICH REQUIRE
ADDRESSING – #4 – IMPOSING CONSEQUENCES ON STAFF WHO
REFUSE TO SHARE EACH AND EVERY PROPOSED EXPENSE
INCLUDED WITHIN THE PROPOSED “SERVICES AND
SUPPLIES” NUMBERS**

Introduction: Well “here’s another one” according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently provided by another district³, or Washoe County, or more preferably, IVGID should simply be dissolved³. However in the interim, and in order to provide evidence in support of dissolution, let’s examine another example of the waste the District engages in which ends up costing local parcel/dwelling unit owners even though this waste has nothing to do with parcel/dwelling unit owners’ “availability” to access and use District recreation and beach facilities and the programs offered thereat⁴. it’s the same old, same old. And here we have another example. Presentation of a proposed budget which perpetuates a basic structure flaw by premising all calculations upon the refusal to have disclosed each and every estimated services and

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

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

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⁴ This is the justification staff claims for its involuntary assessment of the Recreation (“RFF”) and Beach (“BFF”) Facility Fees (go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/G.2._-Recreation_Standby_and_Service_Charges.pdf).

supplies expense as opposed to a summary of those expenses. And that's the purpose of this written statement.

My E-Mail of March 20, 2023: On March 20, 2023 I sent an e-mail to the Board objecting to one of the basic structures of the District's budget – use of services and supplies numbers taken from air without any back up verification⁵. Rather than re-stating all that is included therein, I simply direct the reader to that e-mail.

Conclusion: If the Board doesn't know each and every expense included within a services and supplies summary, how can it know what's necessary and what's not? How can it know what to cut and what to continue? How can it know what it is actually being requested to approve? That's why I have made several public records requests to examine those expenses. And because staff refuse to make those records available for my examination, probably because they are embarrassing or evidence waste or wrongdoing, there must be a penalty. And for the reasons stated in the attached e-mail, I propose that penalty. Because things as they presently stand are not acceptable.

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

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

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EXHIBIT "A"

March 22, 2023 IVGID Board Meeting - Agenda Item E - Problems With Staff's Proposed Budget (Workshop) - #4 - The Consequences of Staff's Refusal to Provide Disclosure of Every Proposed Services and Supplies Expenditure (as Opposed to a Summary of Such Expenditures) Included in Proposed Budget

From: <s4s@ix.netcom.com>
 To: Dent Matthew <dent_trustee@ivgid.org>
 Cc: Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>
 Subject: March 22, 2023 IVGID Board Meeting - Agenda Item E - Problems With Staff's Proposed Budget (Workshop) - #4 - The Consequences of Staff's Refusal to Provide Disclosure of Every Proposed Services and Supplies Expenditure (as Opposed to a Summary of Such Expenditures) Included in Proposed Budget
 Date: Mar 21, 2023 5:26 PM
 Attachments: [Travel Authorizations.pdf](#)

Chairperson Dent and Other Honorable Members of the IVGID Board -

This agenda item is labeled as a third "Budget Workshop." Because the District's basic budget structure perpetuates EVERYTHING that's wrong with the IVGID, I submit my criticisms. And because those criticisms are targeted to specific aspects of staff's budget recommendations, I shall deal with them piecemeal. And this is my third such budget recommendation.

Staff have refused to share each and every proposed Services and Supplies expenditure included within its proposed fund budgets so the Board and the public can discuss which ones can be eliminated and reduce comparable financial pressure on the Rec Fee. I have made public records requests how many times? And look how staff respond. In fact, at pages 315-345 of the packet of materials prepared by staff in anticipation of the Board's March 22, 2023 meeting ("the 3/22/2023 Board packet"), you will find a written statement attached to the proposed minutes of the Board's February 22, 2023 meeting which addresses this very subject. Also at pages 237-244 of the same 3/22/2023 Board packet you will find a written statement attached to the proposed minutes of the Board's February 8, 2023 meeting which also addresses this very subject. That is, staff's refusal to permit examination of the Services and Supplies detail matters..

Not knowing which expenditures are included within Services and Supplies and whether they are really required means the Board has no idea of the expenditures included therein which are UNnecessary. Instead, the Board and the public are asked to simply trust staff's word for whatever they are proposing. And their word ultimately results in no cost reductions, waste, and in course, no reduction in the Rec Fee. This is unacceptable.

Let me share some examples of expenditures under Services and Supplies for the current fiscal year staff have hidden from the Board and the public which very easily could/can be avoided reducing pressure on the Rec Fee and the utility rates we charge.

1. Kate Nelson's attendance at Kaye Shackford's lifestyle behavior seminar in Sep of 2022 at a cost to the public of nearly \$6,000 - to advance her professional growth;
2. Kate Nelson's future attendance at the California Water Environment Ass'n convention in San Diego in April of 2023 to discuss the success of the WRRF aeration project at a cost to the public of nearly \$2,700 - to advance her career growth;
3. Mike Gove's attendance at Kaye Shackford's lifestyle behavior aka professional growth seminar in Sep of 2022 at a cost to the public of nearly \$6,000 - to advance his professional growth;

Items 2-3 above are documented in the travel authorization attached to this e-mail. And we see that just for Kate Nelson, that's nearly \$8,000 of travel and conference expenditures in less than a single fiscal year. And for what?

Note: these are just isolated examples. All are included under Services and Supplies. And just here we're looking of potential savings of nearly \$15,000! And you're telling me all of these expenses were vital, required, reasonable in amount, and could not have been deleted from the budget assuming they were in fact budgeted?

For these reasons I propose that staff's proposed workshop budget be REJECTED as a matter of course. If staff is going to refuse to share each and every expense included under Services and Supplies as I have asked, then the Board should respond by REDUCING these budgetary amounts by the amount of the Rec and Beach Fees, thus eliminating these subsidies. Then the Board shall tell staff to figure it out for themselves insofar as a balanced budget is concerned. And if they refuse, the Board should agendize their termination(s) as District employees. Because if you don't come up with a consequence for staff non-transparency, we are destined to come up with the same faulty budgets time and time again.

Mr. Navazio is a deceitful person. Just like his predecessor Gerry Eick. He sees his role to be that of an accommodator for his boss Indra. And so he compromises his integrity to make the District's finances work the way staff want them to work. And here we see the third of the many examples of this principle. In other words, rather than cutting expenses to result in a balanced or revenue positive budget without any subsidies, staff intentionally overspend on such vital expenditures as these with the intent of covering the financial deficiencies with the subsidies of: the Recreation ("RFF") and Beach ("BFF") Facility Fees, allocated central services cost transfers, and inter-sub-fund transfers given those sub-funds are all within the umbrella Community Services Fund and thus exempt from NRS 354.613 liability. The time has come to put a stop to this insanity. And here I've suggested a first step.

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR MARCH 22, 2023 MEETING –
AGENDA ITEM E – THE BASIC STRUCTURAL BUDGETARY PROBLEMS
LOCAL PARCEL/DWELLING UNIT OWNERS FACE WHICH REQUIRE
ADDRESSING – #5 – SHOULD WE DISSOLVE OUR INTERNAL
SERVICES FUND AND OUTSOURCE OUR BUILDINGS, FLEET
AND ENGINEERING NEEDS TO THE PRIVATE SECTOR?**

Introduction: Well “here’s another one” according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently provided by another district³, or Washoe County, or more preferably, IVGID should simply be dissolved³. However in the interim, and in order to provide evidence in support of dissolution, let’s examine another example of the waste the District engages in which ends up costing local parcel/dwelling unit owners even though this waste has nothing to do with parcel/dwelling unit owners’ “availability” to access and use District recreation and beach facilities and the programs offered thereat⁴. it’s the same old, same old. And here we have another example. Continuation of a worthless internal services department whose real purpose is to provide over compensated and benefited jobs at local parcel/dwelling unit owners’ expense.

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

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

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

⁴ This is the justification staff claims for its involuntary assessment of the Recreation (“RFF”) and Beach (“BFF”) Facility Fees (go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/G.2._- _Recreation_Standby_and_Service_Charges.pdf).

Presentation of a proposed budget which perpetuates this basic structure flaw is an incredible waste. And that's the purpose of this written statement.

My E-Mail of March 22, 2023: On March 22, 2023 I sent an e-mail to the Board objecting to one of the basic structures of the District's budget – continuation of an internal services department/fund⁵. Rather than re-stating all that is included therein, I simply direct the reader to that e-mail.

Conclusion: When one really understands the District's internal services fund and how it is funded, one quickly understands it interjects unnecessary overhead and waste into the system. Which means it costs more than outsourcing. For the reasons stated in the attached e-mail, I ask that internal services be dissolved. Because things as they presently stand are not sustainable.

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

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

⁵ That e-mail is attached as Exhibit "A" to this written statement.

EXHIBIT "A"

March 22, 2023 IVGID Board Meeting - Agenda Item E - Problems With Staff's Proposed Budget (Workshop) - #5 - It's Time to Dissolve the District's Internal Services Fund

From: <s4s@ix.netcom.com>
To: "Dent Matthew" <dent_trustee@ivgid.org>
Cc: "Schmitz Sara" <schmitz_trustee@ivgid.org>, "Tonking Michaela" <tonking_trustee@ivgid.org>, "Noble Dave" <noble_trustee@ivgid.org>, "Tulloch Ray" <tulloch_trustee@ivgid.org>
Subject: March 22, 2023 IVGID Board Meeting - Agenda Item E - Problems With Staff's Proposed Budget (Workshop) - #5 - It's Time to Dissolve the District's Internal Services Fund
Date: Mar 22, 2023 12:58 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

This agenda item is labeled as a third "Budget Workshop." Because the District's basic budget structure perpetuates EVERYTHING that's wrong with the IVGID, I submit my criticisms. And because those criticisms are targeted to specific aspects of staff's budget recommendations, I shall deal with them piecemeal. And this is my fourth such budget recommendation. Elimination of staff's internal services fund altogether and instead, outsource all of the services allegedly included therein to the private sector.

We've discussed this before. Take a look at staff's proposed summary of revenues and expenses assigned to all three sub-funds (fleet, buildings and engineering) under internal services [see page 127 of the packet of materials prepared by staff in anticipation of the Board's upcoming March 22, 2023 meeting ("the 3/22/2023 Board packet")]. Essentially 100% of budgeted revenue comes from the inter-fund services unreimbursed staff whose salaries and benefits are assigned to the internal services fund are able to bill out to the fund's ONLY customer; other District Divisions. Therefore there is an incentive for internal services staff to furnish unnecessary or marginally beneficial services because if billings for these services do not take place, there will be no money to pay for employees' salaries and benefits. And in the legal world, this is called CHURNING OF FEES. That's what our internal services division is doing for us. CHURNING FEES so it's more costly for us to furnish internal services, than to outsource them to the private sector.

So how much are we talking about in revenues which are required? Nearly \$3.5 million! Now let's look at the estimated expenses which are assigned to this fund. \$3.568 million which is \$121,463 MORE than the revenues staff are estimated to bill out. And of this \$3.568 million of expenses, how much goes to employee salaries and benefits? According to Mr. Navazio a whopping 71.32% or \$2,544,597. And for how many employees? 15.4 total. 7 assigned to Fleet (see page 116 of the 3/22/2023 Board packet), 4.4 assigned to engineering (see page 117 of the 3/22/2023 Board packet), and 4 assigned to building (see page 119 of the 3/22/2023 Board packet). And at what rates?

Staff tell us that they can't bill out 100% of their time to other District Divisions. So they have to "jack up" by 25% (see page 120 of the 3/22/2023 Board packet) the hourly fees they do bill out to make up for this wasted down time. Just look at the personnel cost increases in just the last five years. So for buildings, we paid \$597,058 in personnel costs in fiscal year 2019-20, and Mr. Navazio is projecting we spend nearly the same (\$569,250) in 2023-14. But that's for only 4 employees, whereas we had 7.5 five years ago (see page 119 of the 3/22/2023 Board packet). That's a 87.5% decrease in personnel with no real decrease in personnel costs in just five short years.

Or fleet, we paid \$779,733 in personnel costs in fiscal year 2019-20, and Mr. Navazio is projecting we spend \$1,080,035 in 2023-24 (see page 116 of the 3/22/2023 Board packet). That's a 38.51% increase in personnel costs in just five short years or 7.7%/year, and the number of employees is the same.

Or engineering. We paid \$639,450 in personnel costs in fiscal year 2019-20, and Mr. Navazio is projecting we spend \$932,187 in 2023-14. And that's for only 4.4 employees, whereas we had 5.1 five years ago (see page 117 of the 3/22/2023 Board packet). That's a 45.77% increase in personnel costs in just five short years or over 9%/year.

So for instance, mechanics working in fleet bill out their time at nearly \$100/hour. And engineers working in engineering bill out their time at between \$120-\$150 or more/hour. When they do this, it means they are actually charging more than what it would cost us if we were to outsource these functions to the private sector. And we wouldn't need to pay for the infrastructure which goes along with our internal staff that currently we're forced to pay. For instance, we need to pay for vehicles and all of their ancillary costs for most of our internal services employees. When we outsource, all of these costs are included in the private sector fees we are charged. Also for fleet, we have to pay for all sorts of tools and machinery because without the same, our in house staff can't do its job. Yet when we outsource, all of these costs are included in the private sector fees we are charged.

So bottom line, it actually costs us MORE to have an internal services department than it would cost to outsource. And real world experience has demonstrated that the competence of the services provided by the private sector when outsourcing is markedly higher than relying upon our in-house staff. Don't believe me? Why are we hiring CMARs to manage our large construction projects? I thought our in-house staff were competent enough to save us money by performing their own construction management? And look at the Mountain Course cart path replacement project fiasco. Our professional staff wasn't even able to pick up on the fact our contractor was not adhering to the construction detail the subject of our contract.

Then there are phony expenses we must throw into the mix with our in-house staff - like central services costs. Finally, when we outsource we only contract for services we actually need. Since that's not the case with our in-house staff, we save money as well.

For all these reasons it's more than time to DISBAND internal services.

Mr. Navazio is a deceitful person. Just like his predecessor Gerry Eick. So he compromises his integrity to make the District's finances work the way staff want them to work. And here we see the fourth of the many examples of this principle. In other words, creating an overly expensive internal services department/fund whereby the employees whose costs are assigned to this fund have but one customer; other District Divisions. And because funds are not budgeted as revenues to this fund, our employees have a conflict of interest in that if they cannot bill other District Divisions for their services, they cannot generate the funds necessary to pay their salaries and benefits. So we overpay.

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR MARCH 22, 2023 MEETING –
AGENDA ITEM E – THE BASIC STRUCTURAL BUDGETARY PROBLEMS
LOCAL PARCEL/DWELLING UNIT OWNERS FACE WHICH REQUIRE
ADDRESSING – #6 – IMPOSING CONSEQUENCES ON STAFF WHO
REFUSE TO SHARE THE PARTICULARS OF UNREIMBURSED
STAFF TIME BILLED TO OTHER DISTRICT DEPARTMENTS**

Introduction: Well “here’s another one” according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently provided by another district³, or Washoe County, or more preferably, IVGID should simply be dissolved³. However in the interim, and in order to provide evidence in support of dissolution, let’s examine another example of the waste the District engages in which ends up costing local parcel/dwelling unit owners even though this waste has nothing to do with parcel/dwelling unit owners’ “availability” to access and use District recreation and beach facilities and the programs offered thereat⁴. it’s the same old, same old. And here we have another example. Presentation of a proposed budget which perpetuates a basic structure flaw by premising all internal services calculations upon the refusal to have disclosed the particulars of each and every estimated internal services expenditure. And that’s the purpose of this written statement.

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

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

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

⁴ This is the justification staff claims for its involuntary assessment of the Recreation (“RFF”) and Beach (“BFF”) Facility Fees (go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/G.2._- _Recreation_Standby_and_Service_Charges.pdf).

My E-Mail of March 20, 2023: On March 20, 2023 I sent an e-mail to the Board objecting to one of the basic structures of the District's budget – use of internal services revenue numbers taken from air without any back up verification or verification of necessity⁵. Rather than re-stating all that is included therein, I simply direct the reader to that e-mail.

Conclusion: If the Board doesn't know the particulars of each and every expense included within internal services revenue summaries, how can it know what's necessary and what's not? How can it know what to cut and what to continue? How can it know what it is actually being requested to approve? That's why I have made several public records requests to examine the particulars of those

expenses. And because staff refuse to make those records available for my examination, probably because they are embarrassing or evidence waste or wrongdoing, there must be a penalty. And for the reasons stated in the attached e-mail, I propose that penalty. Because things as they presently stand are not acceptable.

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

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

⁵ That e-mail is attached as Exhibit "A" to this written statement.

EXHIBIT "A"

March 22, 2023 IVGID Board Meeting - Agenda Item E - Problems With Staff's Proposed Budget (Workshop) - #6 - The Consequences of Staff's Refusal to Provide Disclosure of the Particulars of All Internal Services Billings (as Opposed to a Summary of Such Particulars) Included in Proposed Budgets and Outsource Their Services to the Private Sector

From: <s4s@ix.netcom.com>
To: "Dent Matthew" <dent_trustee@ivgid.org>
Cc: "Schmitz Sara" <schmitz_trustee@ivgid.org>, "Tonking Michaela" <tonking_trustee@ivgid.org>, "Noble Dave" <noble_trustee@ivgid.org>, "Tulloch Ray" <tulloch_trustee@ivgid.org>
Subject: March 22, 2023 IVGID Board Meeting - Agenda Item E - Problems With Staff's Proposed Budget (Workshop) - #6 - The Consequences of Staff's Refusal to Provide Disclosure of the Particulars of All Internal Services Billings (as Opposed to a Summary of Such Particulars) Included in Proposed Budgets and Outsource Their Services to the Private Sector
Date: Mar 21, 2023 5:26 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

This agenda item is labeled as a third "Budget Workshop." Because the District's basic budget structure perpetuates EVERYTHING that's wrong with the IVGID, I submit my criticisms. And because those criticisms are targeted to specific aspects of staff's budget recommendations, I shall deal with them piecemeal. And this is my fifth such budget recommendation. Elimination of staff's internal services fund and instead, outsourcing all of the services allegedly included therein to the private sector

Staff have refused to share the particulars of its billings to the District's other Departments which involuntarily use the over priced services internal services furnish. so the Board and the public can discuss which ones can be eliminated and reduce comparable financial pressure on the Rec Fee. I have made public records requests how many times? And look how staff respond. In fact, at pages 377-395 of the packet of materials prepared by staff in anticipation of the Board's March 22, 2023 meeting ("the 3/22/2023 Board packet"), you will find a written statement attached to the proposed minutes of the Board's February 22, 2023 meeting which addresses this very subject. That is, staff's refusal to provide the particulars of the services allegedly furnished by internal services for the Beach House and Fleet Department presentations.

For these reasons I propose that staff's proposed workshop budget, at least for internal services, be REJECTED as a matter of course. If staff are going to refuse to share the particulars of each and every service furnished under unreimbursed internal services as I have asked, whether asked for or not, then the Board should respond by REDUCING these budgetary amounts by the amount of the Rec and Beach Fees, thus eliminating these subsidies. Then the Board shall tell staff to figure it out for themselves insofar as a balanced budget is concerned. And if they refuse, the Board should agendize their termination(s) as District employees. Because if you don't come up with a consequence for staff non-transparency, we are destined to come up with the same faulty budgets time and time again.

Mr. Navazio is a deceitful person. Just like his predecessor Gerry Eick. He sees his role to be that of an accommodator for his boss Indra. And so he compromises his integrity to make the District's finances work the way staff want them to work. And here we see the sixth of the many examples of this principle. In other words, rather than cutting expenses to result in a balanced or revenue positive budget without any subsidies, staff have intentionally created an overly expensive internal services fund whereby the employees whose costs are assigned have but one customer; other

District Divisions. And because funds are not budgeted to this fund as revenue, our employees have a conflict of interest in that if they cannot bill other District Divisions for their services, they cannot generate the funds necessary to pay their salaries and benefits. So in order to discover the precise services furnished to the District's other Divisions, and at what cost, I have submitted a series of public records requests. But staff have refused to produce the records requested for my examination. And as a result, there's no way to determine the legitimacy of the bills submitted to the District's other Divisions. And that means the District's other Divisions are involuntarily subsidizing the costs of the District's internal services division. And since the District's other Divisions from which internal services transfers are made rely upon the Recreation ("RFF") and Beach ("BFF") Facility Fees and water/sewer utility rates and charges local parcel owners are forced to pay to cover the differences between revenues and expenses, just like central services cost transfers, internal services over spending is subsidized by the RFF, BFF and the District's water/sewer utility rates and charges. The time has come to put a stop to this insanity. And here I've suggested a first step.

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR MARCH 22, 2023 MEETING –
AGENDA ITEM E – THE BASIC STRUCTURAL BUDGETARY PROBLEMS
LOCAL PARCEL/DWELLING UNIT OWNERS FACE WHICH REQUIRE
ADDRESSING – #7 – HOW CAN YOU DETERMINE THE RFF/BFF
BEFORE PROCEEDING UNDER NRS 318.201 TO FIND THE
AMOUNTS REQUIRED TO MAKE THE DISTRICT'S REC-
REATION/BEACH FACILITIES AVAILABLE TO BE USED
BY ASSESSED PARCELS/DWELLING UNITS?**

Introduction: Well “here’s another one” according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently provided by another district³, or Washoe County, or more preferably, IVGID should simply be dissolved³. However in the interim, and in order to provide evidence in support of dissolution, let’s examine another example of the waste the District engages in which ends up costing local parcel/dwelling unit owners even though this waste has nothing to do with parcel/dwelling unit owners’ “availability” to access and use District recreation and beach facilities and the programs offered thereat⁴. it’s the same old, same old. And here we have

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

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

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

⁴ This is the justification staff claims for its involuntary assessment of the Recreation (“RFF”) and Beach (“BFF”) Facility Fees (go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/G.2._-_Recreation_Standby_and_Service_Charges.pdf).

another example. Determination of the RFF/BFF amounts prior to determining the actual need therefore, if any. And that's the purpose of this written statement.

My E-Mail of March 22, 2023: On March 22, 2023 I sent an e-mail to the Board objecting to one of the basic structures of the District's budget – Mr. Navazio's determination of the BFF/RFF before the Board made that determination pursuant to NRS 318.201 of the amounts necessary, if any, to make the District's recreation/beach facilities available to those parcels/dwelling units to be assessed⁵. Rather than re-stating all that is included therein, I simply direct the reader to that e-mail.

Conclusion: These facts demonstrate that the RFF/BFF are really invalid special taxes against property⁶. Rather than need, the District first establishes a RFF/BFF based upon what the market will bear, and then it budgets whatever expenses it can conjure up thereagainst. The greater the RFF/BFF, the greater the expenses which can be charged thereagainst. Is it really that simple? Yes it is. For the reasons stated in the attached e-mail, I ask that staff be instructed to reduce the RFF/BFF to those amounts actually required to make the District's recreation/beach facilities available to be accessed and used by those parcels/dwelling units proposed to be assessed.

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

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

⁵ That e-mail is attached as Exhibit "A" to this written statement.

⁶ NRS 361.445 instructs that "the assessment made by the county assessor and...the Department (of Taxation), as equalized according to law, shall be the *only* basis for property taxation by any city, town, school district, road district or other district in that county."

EXHIBIT "A"

Re: March 22, 2023 IVGID Board Meeting - Agenda Item E - Problems With Staff's Proposed Budget (Workshop) - #7 - How Can You Determine the RFF/BFF You Require Before You've Determined the Amounts You Require to Make the Public's Recreational/Beach Facilities Available to be Used by Those Parcels/Dwelling Units Which Are Assessed?

From: <s4s@ix.netcom.com>
To: "Dent Matthew" <dent_trustee@ivgid.org>
Cc: "Schmitz Sara" <schmitz_trustee@ivgid.org>, "Tonking Michaela" <tonking_trustee@ivgid.org>, "Noble Dave" <noble_trustee@ivgid.org>, "Tulloch Ray" <tulloch_trustee@ivgid.org>
Subject: Re: March 22, 2023 IVGID Board Meeting - Agenda Item E - Problems With Staff's Proposed Budget (Workshop) - #7 - How Can You Determine the RFF/BFF You Require Before You've Determined the Amounts You Require to Make the Public's Recreational/Beach Facilities Available to be Used by Those Parcels/Dwelling Units Which Are Assessed?
Date: Mar 22, 2023 1:57 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

This agenda item is labeled as a third "Budget Workshop." Because the District's basic budget structure perpetuates EVERYTHING that's wrong with the IVGID, I submit my criticisms. And because those criticisms are targeted to specific aspects of staff's budget recommendations, I shall deal with them piecemeal. And this is my sixth such budget recommendation. The RFF/BFF are really invalid taxes because staff determine the amounts before determining the actual needs, if any.

Take a look at page 14 of the packet of materials prepared by staff in anticipation of the Board's March 22, 2023 meeting ("the 3/22/2023 Board packet"). There you will see that Mr. Navazio has determined the "baseline" RFF/BFF for 2023-24 (\$364/\$416) even though the Board hasn't yet determined its needs to make the public's recreational facilities and beaches available to be used by those parcels/dwelling units which will be assessed (the finding the Board actually makes when it is asked to adopt the RFF/BFF).

Moreover, these amounts are less than those determined necessary for 2022-23 (\$330/\$450). How have the beaches' costs to be available for local parcel's/dwelling units' use actually decreased in a single year?

I remind each of you that when you approve the RFF/BFF, you pass a resolution [like 1893 for 2022-23 {see pages 228-231 of that packet of materials prepared by staff in anticipation of the Board's May 26, 2022 meeting ("the 5/26/2022 Board packet")}] which adopts a report (see pages 232-237 of the 5/26/2022 Board packet) which at paragraph II represents that "the amount of moneys required for the fiscal year extending from July 1, 2022, to June 30, 2023, has been determined by this Board to be about \$X.00 for the Recreation Facility Fee and \$Y.00 for Beach Facility Fee for the proper servicing of said identified bonds and for the administration, operation, maintenance and improvement of said real properties, equipment and facilities." When has the Board determined it requires a RFF/BFF of \$364/\$416? Since the answer is never, how does Mr. Navazio get off suggesting a RFF/BFF in these amounts?

Moreover, look where Mr. Navazio suggests the RFF go: \$2,416,700 to CIPs and \$567,919 (for 3.8 employees) to Community Services Admin. We've talked about this before. Community Services Admin is a phony operational expense. It pays NONE of the costs the District incurs to make recreational facilities available to be used by those parcels/dwelling units which are assessed.

Mr. Navazio is a deceitful person. Just like his predecessor Gerry Eick. He sees his role to be that of an accommodator for his boss Indra. And so he compromises his integrity to make the District's finances work the way staff want them to work. And here we see the sixth of the many examples of this principle. In other words, rather than cutting expenses to result in a balanced or revenue positive budget without any subsidies, staff have intentionally created a pigeon hole to spend on purely admin purposes. The time has come to put a stop to this mis-use of our RFF/BFF. .

Respectfully, Aaron Katz

March 22 IVGID Meeting

I moved to Incline, over 10 years ago, to take advantage of the many recreational activities the community offers. While I chose the Tahoe region for the wealth of outdoor activities it has to offer, I chose Incline specifically because of its unique community-owned recreational venues. While I don't personally utilize all the venues, I understood that collectively they contribute to the quality of life and the community as a whole.

I believe the facility fee we pay is a bargain in relation to the value of the venues it helps to support. I factored both the facility fee and the costs for incremental pay-for-use fees for the rec center, ski, tennis, and golf facilities into my personal equation in deciding to move here. I don't begrudge others for utilization of individual facilities that I don't personally use, even when those facilities are supported by rec fees. It doesn't bother me that I may be subsidizing others use of those facilities. Almost all residents I interact with feel the same.

I believe that the rate increases proposed for Diamond Peak and the Golf Courses that pertain to the Resident Picture Pass Holders are excessive. They are particularly outrageous for the Incline residents who are seniors and who are the primary users of these facilities during off peak hours. Some of these rates increases are 20, 75, 100, and over 200 % increases. Increases such as these not due to inflation or market adjustments, the only thing that I can attribute the magnitude of these increases to is that they are punitive rate increases. Is it the intent of this board to punish residents for using their own facilities?

Based on these proposed rates, next year's projected revenue from usage by PPH for these facilities is overly optimistic. This reduced usage by PPH will also result in lower revenues for ancillary facilities such as food & beverage and shops. Again, I must ask, why are the IVGID Trustees trying to persuade the residents of Incline not to use their own facilities?

I am hopeful that the discussion/debate on increasing fees is not fueled by individuals who feel the facility fee should be eliminated or that none of their fees should go towards any of the facilities they don't personally utilize. That is not a view that benefits the overall community. Nor do I believe it is a view shared by the majority. And it is inconsistent with the inherent understanding the vast majority of homeowners had when they purchased in Incline Village.

Word Count: 425



Good Evening Trustees,

The Incline Village REALTORS® would like to bring to your attention the letter attached below. The letter is written by Mick Homan and provides information disputing comments made on the record by Trustees. The Association believes that it is prudent that the Trustees and IVGID staff rectify potential misinterpreted data in order to provide clarity and transparency for the public. Changes to policy should be based on facts that can lead our elected officials to informed and rational decisions; allowing misinformation to guide a policy decision is irresponsible and damaging to our community. Please address this potential misinterpretation at tonight's meeting in order to provide the community with the accurate information they deserve.

The Incline Village REALTORS® believe that IVGID should provide top-of-the-line services to its constituents at a net zero cost. We are not directly opposed to raising recreational rates in order to operate services as best as possible, however, we believe these decisions need to be made in order to maintain the net zero policy. Homeowners value the recreational facilities offered and perceive these as a great form of value in their homes. The services IVGID provides are key to the enjoyment of our community and provide a great unique benefit that attracts people from all over the globe to our little mountain town.

Thank you,

Grant C. Meyer
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Grant Meyer
Incline Village REALTORS® President

Kendra Murray

Kendra Murray
Incline Village REALTORS® CEO

To: Members of the IVGID Board of Trustees
From: Mick Homan
986 Chip Court, Incline Village

Communication to IVGID Board of Trustees Regarding Golf Operations Rate Setting For 2023

I listened into the Board of Trustee meeting from March 8 and have some concerns about the discussion involving golf rates and budgets for the coming 2023 golf season. I'm specifically concerned by numbers that members of the Board of Trustees were using in referring to the annual subsidy golf was receiving, which was then used to push for higher rate increases than were proposed in Mr. Howard's proposal. Trustee Schmitz on a couple occasions referred to annual \$4 million that was being provided to support golf operations. This number was double the \$2 million annual subsidy that was previously mentioned by Ms. Schmitz in a prior meeting. Trustee Tulloch repeated this subsidy figure, converting it to \$500 subsidy per parcel. Neither the \$2 million or the \$4 million annual subsidy has any basis in reality. It's possible these numbers were influenced or sourced from others in the District that have published articles purporting to portray golf operations as not carrying their own weight. Having penetrated all of the numbers utilized in at least one such article, it's obvious the authors either did not understand how all of the published numbers fit together, or were taking portions of published numbers out of context to paint a mis-leading picture.

As an auditor, finance professional and controller/chief accounting officer for almost 40 years, I've prepared, audited and analyzed financial reports my entire professional career. I utilized that background to look in detail at the Statements of Sources and Uses for fiscal 2021, 2022 (both summary and detailed line item) and fiscal year to date fiscal 2023. I also looked at the Statements of Revenues, Expenses and Changes in Net Position from fiscal 2022. Finally, I went through the "Golf Season Actual to Budget Comparison" for the 2022 golf season that was presented at the December 14 meeting. Each of these documents is published on the IVGID website. None of those reports show results anywhere close to approaching either of those figures. What the real numbers show is as follows (note that the summary below utilized the sources and uses statements since the site didn't include revenue, expense and fund balance statements for each of the periods):

1. Fiscal 2021 – Champ course uses exceeded sources by \$196,623, while Mountain course sources exceeded uses by \$40,364, for a net use of \$156,259. Facility fees for the venues (combined) were \$255,901, resulting in a net "subsidy" of \$412,160.
2. Fiscal 2022 – Champ course uses exceeded sources by \$627,565, while Mountain course uses exceeded sources by \$817,550, for a net use (subsidy) of \$1,445,115. This included \$556,000 of capital improvements at the Mountain course, primarily for the cart path project. Excluding that project, the net use (subsidy) was closer to \$900,000. No facility fees were allocated to golf in fiscal 2022, so there was no additional "subsidy" for that.
3. For fiscal YTD 2023 (through January) –Champ course uses exceeded sources by \$59,554, while Mountain course sources exceeded uses by \$669,967, for a net source of \$610,413. Facility fees for the venues (combined) were \$1,005,436 (most to fund the Mountain course, again primarily for the cart path project), resulting in a net "subsidy" of \$395,023. This subsidy turns into an excess source of \$113,417 if you exclude the mountain course cart-path driven capital improvements of \$508,440.
4. As it relates to the "Golf Season Actual to Budget Comparison" for the 2022 golf season, this may be the best representation of golf operations since it looks at a 12-month period

containing a single golf season rather than the fiscal years that split the season over 2 fiscal years. Per that report, the Champ course sources exceeded uses by \$350,881, while the Mountain course uses exceeded sources by \$481,090, for a net use of \$130,209. This period included combined facility fees of \$162,916, resulting in a "subsidy" of \$293,125. However, excluding the mountain course capital improvements of \$508,440, again related primarily to the cart path project, there may have been no subsidy.

As you can see from the above summary, none of the actual results from any recent period comes close to the numbers being mentioned publicly in the Board of Trustee meetings. As both a resident of the District and a member of its Audit Committee, the events summarized above from past Trustee meetings is concerning.

My initial concern was that the Board may be privy to different sets of numbers versus what is being published by the District on its website, or that the numbers presented on the website were not the "real numbers." If either was true, that would raise significant concerns about the District's underlying financial reporting practices and published results. Having checked with District staff it was confirmed that the published numbers were correct.

Given that the published numbers are in fact correct, that raises concerns about 1) what set of events or circumstances led to Board of Trustee members using materially inaccurate and misleading numbers in a public Board of Trustees meeting forum and 2) how those materially inaccurate and misleading numbers could be used to influence golf rate setting that directly impacts residents of the district. If this was a simple mistake and mis-read of available financial information by the Trustees, then I believe it would be appropriate to set the record straight in a future meeting. If not, then an investigation may be in order to determine if there was an intent to mislead.

Fortunately, the actual results are being presented again as part of the Board of Trustee materials for the March 22 meeting. Accordingly, each of the Trustees should be grounded in reality when discussing this item, which should result in a more productive discussion.

Taking off my Audit Committee hat, I have some other observations about this agenda item. These observations are more rooted in my 40 years as a business person and finance and accounting professional for one of the most successful companies in the world and my 30 years as a member of various private and semi-private golf clubs.

First, I would be very hesitant to use the most recent fiscal years as your basis for setting rates for the coming season. Fiscal years 2020-21 and 2021-22 were both significantly impacted by the global COVID pandemic and fires in the region. COVID impacted available revenues primarily through the increase in tee-time intervals by up to 50%, reducing the number of available tee times by up to 1/3. Fires in the region resulted in air quality that reduced both visitor and resident play. I know Darren has modeled pieces of that impact into the current year revenue projections (i.e., increased revenues from shortening the tee time intervals, thereby adding up to 20% mor revenue slots), but it was not clear that all the Trustees grasped that in the March 8 meeting.

Second, it was interesting that only one of the Trustees even inquired as to how the proposed rates stack up against competition. That should be an obvious consideration that places limits on how far rates can be pushed. It was encouraging to hear that daily non-resident rates look to be in line with

market rates. It was also encouraging to see the discount to the Hyatt is being eliminated – I’m not sure why we, as resident owners of the golf facilities, would provide a discount to a business that uses premium pricing for all of its facilities, and does not provide discounts to locals. But there was no discussion of whether the play passes are in line with the market. The Tahoe Mountain Club (TMC) has a non-member all you can play pass that is priced at \$2,750 for individuals and \$4,000 for a couple. While there are restrictions on playing (no play on Friday/Saturday and restrictions on certain times during the day), that facility has 2 championship courses and a full practice facility, with range balls included. Rates for IVGID facilities are considerably higher. By comparison, the limited play Championship course only pass for couples is proposed to be priced at over a 25% premium over the TMC, and importantly the IVGID pricing doesn’t include range balls. Play pass members of IVGID tend to be heavy users of the practice range. Their spending on range balls is typically spending upwards of \$500 and significantly more for couples. This makes the IVGID pricing differential even higher.

Third, I would also question whether all the proposed revenue increases were properly modeled into the budgets that were included in the Board packets. There are a couple of factors to demonstrate this point. First, I would look back to fiscal 2019-20 - as this is the last fiscal year that was not heavily impacted by COVID. Service revenue in that year was \$4,037,036 at the Championship course. This fiscal (or at least this upcoming golf season) should represent a return to pre-covid golf levels. Tee intervals will be back to normal and there are no anticipated restrictions in travel impacting player’s ability to golf. Since fiscal 2019-20, cumulative golf rates have increased fairly significantly. Including the proposed rate increases, daily rates are up around 10-15% and all-you-can-play pass rates would be up in a range of 40% to over 70% based on the various options. Yet, somehow, services charges in the budgets included in the Board package are below the actual revenue in fiscal 2019-20. Even if you were to assume a relatively conservative overall 20% cumulative increase in rates, that would result in revenues closer to \$5 million for the championship course. The same relationship exists for the Mountain course. In summary, the revenue projections in the proposed budget just don’t coincide with the proposed rate increases.

I have a couple of additional points as it relates to the historical results and how that informs rate setting for the coming year. Unfortunately, the District’s fiscal year does not line up well with the golf season. In business, most companies have the luxury of selecting a fiscal year that lines up with its business model (for example, most retailers will select a fiscal year that does not end in December, toward the end of their traditional busiest season). Darren and District management were wise to present a golf operations review in the December 14 Board meeting that converted the results to more of a golf season calendar. As noted earlier, this may be the best representation of golf operations since it looks at a 12-month period containing a single golf season rather than the fiscal years that split the season over 2 fiscal years. Unfortunately, that information was not included in the Board packet for the March 22 meeting. Per point 4., above, there was very little subsidy required for the most recent golf season period after adjusting for the mountain capital projects. Second, there is obviously significant capital being expended over the 2 fiscal years that comprise both the 2022 and 2023 golf seasons. The mountain course cart paths and Championship course carts are both expenditures that only recur on a periodic basis. It is important to keep in mind that these will both have lives of up to 10-15 years, and not try to recover the cost through a single year’s rate setting.

I have an additional observation relating to what approach the Board decides to take on whether each Venue needs to stand on its own. As it relates to golf operations, it is important to understand the golf club business model. Country clubs view themselves as an integrated set of revenue producing assets. And while each of the assets needs to be optimized, they typically do not expect each asset to fund

itself. Specifically, virtually all golf clubs have banquet/event facilities that are used for weddings and other special event. These venues provide significant revenues that subsidize the overall club's operating results. They also have food & beverage operations that are marketed to members, predominantly on a year-round basis. Annual dues are only set after factoring in the contributions from banquet and other revenue-producing amenities. The fact of the matter is that it would be extremely rare for a golf club with a broad membership to stand on its own with only golf activities, unless golf operations are conducted on a year-round basis. This is important when considering the golf operations of IGVID due to its unique circumstances. The golf season is short in the Tahoe region. Golf can only produce its significant revenues in a 4-1/2 to 5-month period. Further, under the current business model utilized by IVGID, banquet facilities of the golf venues are not included as part of the golf operations. In addition, the Board made a decision to sub-optimize the restaurant/bar operations of the golf venues by keeping them open only during the golf season. While these components of the business model and related decisions may be the best overall for the District, they negatively impact the reported results of golf operations. This needs to be considered when establishing rates. Given the unique circumstances of the golf operations and utilization of the Chateau, it would be disingenuous or naïve to expect golf to cover all of the related costs.

Another observation – related to the allocation of central services and debt services. As it relates to debt service, all of the District's debt supporting recreational activities will be repaid in full in fiscal 2022-23. And it is unclear whether any of this debt was used specifically for the golf venues. Accordingly, the Trustees should consider excluding this line item from results used as the basis for setting golf rates. As it relates to central services, the Trustees should consider what is in this allocation of IVGID central services/staff and whether its appropriate for golfers to specifically be responsible for covering that cost. In that respect, are beach-goers and rec center users also covering their share of that cost?

Finally, an observation as a fairly new resident. I moved to Incline to take advantage of the basket of recreational activities the community offers. While I chose the Tahoe region for the wealth of outdoor activities it has to offer, I chose Incline specifically because of its unique community-owned recreational venues. While I don't personally utilize all the venues, I understood that collectively they contribute to the quality of life and the community as a whole. I believe the facility fee we pay is a bargain in relation to the value of the venues it helps to support. I factored both the facility fee and the costs for incremental pay-for-use fees for the rec center, ski and golf facilities into my personal equation in deciding to move here. I don't begrudge others for utilization of individual facilities that I don't personally use, even when those facilities are supported by rec fees. I don't care that I may be subsidizing others use of those facilities. Almost all residents I interact with feel the same. I am hopeful that the discussion/debate on golf fees is not fueled by individuals who feel the facility fee should be eliminated or that none of their fees should go towards any of the facilities they don't personally utilize. That is not a view that benefits the overall community. Nor do I believe it is a view shared by the majority. And it is inconsistent with the inherent understanding the vast majority of homeowners had when they purchased in Incline Village. Further, going down that path leads to a bad destination where we begin to debate the beach, rec center, parks and other venues and pressure them all to move to fee-for-use models. I don't think the Board really wants to move in that direction.

I realize this note covered a lot of territory. However, these factors, and likely many more are all important to consider. If these factors are all covered in more detailed budget workshops between staff and Trustees, that is great. If not, then I find the overall approach and lack of penetration in the public

Trustee meetings to be troubling. To an observer, they appear to be set up to push a pre-disposed agenda putting staff in "gotcha" situations rather than constructive dialogues with qualified dedicated staff aimed at getting to balanced constructive solutions.

I hope that everyone here this evening is ready for the IVGID bi-monthly marathon show, where the Trustees try to prove that they have digested a 350-700 page packet of mostly gobbledygook.

Do you Trustees think for one minute that the directors of Exxon or Apple go into a meeting after reviewing a 350-700 page packet? You would be very wrong to think that. They receive an executive summary of every item on the agenda – probably 10-40 pages at most. And woe be the secretary that actually reads the packet, prepares the E/S and leaves out an important detail. Maybe it is time for the board to hire their own secretary that is solely responsible to them and preps the E/S.

Our esteemed staff loves to load up the packet with a plethora of tomfoolery for every meeting.... Then they omit really important stuff like a reason for the Thorndal contract.

Whether it be non-profit refunds, free water mains for billionaires, lot line adjustments or today's nonsense dujour.... Erin Fiore's proposal to give employees some kind of "offset" for them being denied beach access, staff continually throws crap into the packet to waste the board's time and energy. I loved her suggestion for IVGID to pay for gas and child care. Kind of cheap – don't you think. I say give them all a free car, child care to age 18, and free booze at the Grill.

Secondly, the board should concentrate on the master plans. Staff continually deflects from the master plans with anything that tickles their fancy. Your mandate is to stick to the master plan. Bad tennis courts aside. If the item is not in the master plan – revise the master plan. If an item brought up by staff is not in the master plan, kick it off the agenda.

The fact is that IVGID senior management fails the taxpayers constantly. Whether it is concealing public records, not following the board's and the audit committee directions, mismanaging public works projects, pushing the Santini-Burton option as the only choice for a dog park, or coming to the board with bogus budgets..... their performance is pathetic.

Finally, I would like to comment on the comments made by Croley and Riner at a prior meeting. Their comments were vacuous. They contained no facts just empty accusations upon some board members. Did Croley publicly reveal that he indirectly received money as an IVGID sub-consultant who did management training back in September? No.

Indra and IVGID management know how to take care of their cheerleaders like Croley. I do not know what part of the \$10K that IVGID spent on training went to Croley, but I am sure that it was more than enough to pay for a couple of Big Macs.