

## MINUTES

### **SPECIAL MEETING OF JANUARY 20, 2021 Incline Village General Improvement District**

The special meeting of the Board of Trustees of the Incline Village General Improvement District was called to order by Chairman Tim Callicrate on Wednesday, January 20, 2021 at 6:00 p.m. This meeting was conducted virtually via Zoom.

#### **A. PLEDGE OF ALLEGIANCE\***

The pledge of allegiance was recited.

#### **B. ROLL CALL OF TRUSTEES\***

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

Also present were District Staff Members Director of Finance Paul Navazio, General Manager Diamond Peak Ski Resort Mike Bandelin, and Engineering Manager Nathan Chorey.

No members of the public were present in accordance with State of Nevada, Executive Directive 006, 016, 018, 021, 026 and 029.

#### **C. INITIAL PUBLIC COMMENTS\***

Linda Newman said two independent consultant reports have cited deficiencies as well as opportunities to improve the District's internal controls and Board policies and practices. She recommends that this Board engage Moss Adams to develop the District's internal controls across the entire spectrum of the District's activities and assist the Board in establishing unambiguous and effective Board policies and practices. As our Board, you have many fiduciary and statutory responsibilities that cannot be delegated to Senior Staff. To fulfill these duties, you must engage the professional independent resources you need to effectuate and oversee the proper management of our District. Since 2015 when Board Policies were changed to create vast ambiguities, Board members have stated the need to establish proper policies. At this stage only one Board member brought forth changes to the much needed changes in Policy for contracts and Audit committee duties. When staff was required to fix the Policy on Central Services Cost Allocations, it was done haphazardly and the related Practice was left unchanged. Now the Moss Adams report indicates that the revision by Staff was worthless since it violated GAAP. The litany of policies and practices cited in tonight's budget workshop are ill equipped to assist you in forging a 2021 Budget that responsibly appropriates

revenues, expenses and expenditures. Take action now, to get this right for the benefit of the citizens you took an oath to serve.

Aaron Katz said he will be submitted some written statements. He and Judy have been residents for going on 14 years and every year Staff presents a garbage budget especially for expenses. For the last several years, we have had Board members who didn't care. Who knew we budgeted Mr. Severance for a garbage study? Who knew we budgeted for meals for staff? Who knew we budgeted for legislative advocacy? Without a disclosure of a line item budget, you don't know what is being proposed and now Staff is proposing the same type of budget so we are going to get the same garbage budget. Put your collective feet down unless Staff puts down a line by line budget as Staff has all the information. Once this is done, we will have a zero based budget and we can see what can be deleted. Like to see the information for the services not delivered.

Cliff Dobler said in reading both the Moss Adams reports it became quite apparent that the IVGID Board policies, practices and resolutions are all quite deficient. As Trustee Dent said many times they should be shredded. In 2015, Pinkerton, Guinasso and Wong watered down policies and practices and got the Board to approve them with Trustee Callicrate voting against the changes. The very first time he met Guinasso he told him he wasn't qualified for the District's legal counsel as he was nothing more than a Workmen's Comp litigator and had no experience with contracts. His reply, which may have been smug, was I delve in ambiguity. He succeeded with ambiguity in rewriting the Board policies and practices. Wong, Guinasso and Pinkerton tried in 2018 to deflect changing anything creating a deception without Board approval to dump everything into an IVGID Code which wasted over a year and went nowhere but succeeded in delaying any changes. Some of you may recall that the Board decided to create an annual report for capital project activities. The Board fiddled around over a year developing a popular report for expenditures compared to budget. The draft report finally got close but ended up in nowhere land. A CIP report for fiscal year 2020 is nowhere to be found seven months after the close of the fiscal year. Was a policy ever written for the required annual CIP report? Never done. No policy then no need to do a report. Between all District activities at least \$10 million is spent annually and does anyone on this Board know anything about what happened in fiscal 2020? Now for this weak management team to even suggest that management rewrite policies and practices is contrary to any best business practices and absolutely absurd. Last spring when policy 18.1 dealing with central service cost allocations had to be corrected in a rush in order to comply with the law, it was drafted and approved and no one seemed to think or know that the related practice 18.2 also needed to be corrected. How would anyone on the Board and including himself consider claiming to know that policies and practices necessary for operating and

maintaining all of the different businesses in IVGID portfolio – does anyone have any idea of new items that should be added? New coherent policies and practices must be developed by an outside professional management group that has expertise in that area. Based on the Moss Adams report, and exceptional explanations given, they should be engaged to develop and provide new policies and practices and resolutions and get this past procrastination over with. Thank you.

**D. APPROVAL OF AGENDA (for possible action)**

Chairman Callicrate asked for changes to the agenda, none were provided so the agenda was approved as submitted.

**E. GENERAL BUSINESS (for possible action)**

**E.1. 2021/2022 Budget Workshop (Presented by District General Manager Indra Winquest and Director of Finance Paul Navazio)**

District General Manager Winquest welcomed Marty Williams to the IVGID team and introduced him to the Board and public. District General Manager Winquest gave an overview of the process for tonight and outlined expectations. Chairman Callicrate said he hoped that everyone has read over the PowerPoint presentation that was provided and hopes that we can have a good workshop. Director of Finance Navazio then went over the PowerPoint presentation. The following questions and answers were asked/answered during the presentation:

Legend: Q=Question; A=Answer

Q: Asked by Chairman Callicrate: We have been discussing over the past several Board meetings about having an external consultant working on our policies and procedures. We need to be aggressive on that and working with someone like Moss Adams. There is a lot of merit to that strategy. He doesn't want to hinder the budgeting process so if there is a way to bring in someone like a Moss Adams and get through the most immediate ones it may be a much simpler process and there may be merit to doing that so he wanted to get that out there.

A: Answered by Director of Finance Navazio: We need to focus on the key policies as they are important and it is an ongoing process. Understand the need to focus on the most important ones dealing with the budget first.

Q: Asked by Chairman Callicrate: Zero based budgeting versus line item budgeting?

A: Answered by Director of Finance Navazio: We can have a conversation about that offline.

Q: Asked by Chairman Callicrate: Can we bring in someone like a Moss Adams to work on some of these and do so rather quickly?

A: Answered by Director of Finance Navazio: Just to give an example, in the area of fund balances, just having a dollar or percent is not really a reserve policy. Most robust reserve policies speak to the need to dip into the reserve and then how to replenish it and that is an example of best practices as they go way beyond just setting a percentage and gave four examples of possible additions.

Comment made by Trustee Schmitz: One of the things that she has noticed in Policy 2.1, there is no mention in there about Internal Controls or Whistleblower and all written with the slant of Community Services and don't touch on Utility Fund or General Fund. Utility is a huge area that needs to be covered in the policies as well.

Comment made by Trustee Dent: Do like the idea of having someone like a Moss Adams come in and help us as we need to start fresh as it is a step in the right direction and possibly blending them with what we have.

Comment made by Trustee Tonking: Thank you for the representation and the comments about reserves and she appreciates the input on any other policies, etc. that need to be improved.

Comment made by Trustee Schmitz: Believe that Moss Adams made some recommendations on cost allocation and that is something that we should do; made some good recommendations that we take under advisement.

Response from Director of Finance Navazio: There are different approaches on this topic and it is open for discussion.

Comment made by Chairman Callicrate: Decision made by a Board in the early 2000's to have venues breakeven or make some money and it all started with the new Chateau and it has been dragging around. This Board needs to say that was well and good for the time and we need to make this make sense for our community as of today. We need to have that discussion as a Board and then decide where we are going to land as this is critically important; glad that you put this in here as it is important to this next

budgeting cycle. We will need feedback from the community on this topic because it has been kicked around too much.

Response from Director of Finance Navazio: Gets to the core of what the business model is for the District and lack of consensus on what that business model should be.

Comment made by Trustee Schmitz: One of the things she has talked about for the past year, as it relates to Parks and amenities available to the general public and that aren't restricted to the property owners, those should be in the General Fund. Her feeling is that things that are open to the general public, and Parks are a perfect example, those things should be moved over to the General Fund.

Response from Director of Finance Navazio: An issue that we will want to look at is that we get our General Fund as a share from the property tax that is paid here and that is allocated by Washoe County. It struck him that IVGID gets the smallest share of any other local government in Washoe County and curious to see if we are the lowest in Nevada. There is a lot of validity to Trustee Schmitz' argument and if that is something that we want to pursue, he would like to have that conversation with Washoe County such that others are getting a larger share when they have parks.

Comment made by Trustee Schmitz: Asked about other allowances such as employee.

Response from Director of Finance Navazio: This is for illustration purposes only and that he would agree that there is a lot of clean up that needs to be done.

Chairman Callicrate called for a break at 7:30 p.m.; the Board reconvened at 7:40 p.m.

Q: Asked by Trustee Schmitz: Current staffing – potentially there is a need to make some changes and/or add some positions that the District hasn't had. Those ideas should be discussed and then, if approved, added in – what is that process?

A: Answered by Director of Finance Navazio: That is the last line and yes, we will be having a process to review, consider, propose, and have the Board make the decision on what to have included in the tentative budget.

Comment made by Chairman Callicrate: Our costs, expenses, and projected revenues, without sacrificing our service levels, look at that throughout the District as there may be some opportunities for less redundancies and he understands that is part of the process, he wants to get it to where, yes, it

takes X to keep the Chateau open and we take to Y to provide that service level; he wants to throw that out there now.

Response from Director of Finance Navazio: Hearing what is required and what is discretionary.

Comment made by Chairman Callicrate: Again, please budget for a professional to come in and help us with the policies; using a firm such as Moss Adams.

Response from Director of Finance Navazio: We will do just that.

Comment made by Trustee Schmitz: The questions she used to ask her Staff when she was budgeting was what can we start doing, what can we stop doing, and what can we continue doing. This is an opportunity to reflect and may be a different way to look at it to make decisions.

Response from Chairman Callicrate: He knows that our District General Manager is doing that.

Response from District General Manager Winquest: Yes, that is the exact conversation we are having and maybe not in those words but justify that spend as we are spending public dollars. On pricing, over the years, never fully understood the expectation as a venue manager, bring us the key rates, and then the next year, not bring it forward. No blame towards anyone but he does believe the Board should have oversight on the rates we are charging at our venues with the exception of programming because it is really hard for a Board member to understand where the guardrails are for that programming because there is some level of subsidy for certain programs. We have talked a lot about dynamic pricing and the ability to offload available product and knowing that we never discount anywhere near the resident rate and he likes having the three rates as outlined earlier in this presentation. As to punch cards, either go away all together or replaced with something that is less of a nightmare or all goes away. Ultimately, getting away from contra revenue accounting and punch cards going away completely, he does see that it is a hefty discussion with his Ordinance 7 committee, the community, and, ultimately, the Board. Have a unique opportunity to set the tone for the future and how we are budgeting and he hopes that the community members understand that we are all rowing in the same direction and that there needs to be compromise and if we can move forward in that spirit than this budget process should go smoothly. He doesn't think that the District has done a great job of saying what it wants to be and in doing so it would eliminate some of these comments so as to move forward in a clear manner and get on the same page. We can learn from past mistakes, we are learning and making adjustments, and hopes we can put the past behind and move forward. The Moss Adams reports are a great

opportunity to make improvements and to move forward and that he thinks the Board agrees with him.

**F. FINAL PUBLIC COMMENTS\***

Cliff Dobler said, to the Director of Finance, that was a fantastic presentation as there was a lot of work put into that and he thought it was very complete. He thinks it will help everyone quite a bit and that was a good job. He wants to mention a few things – when you got to the appropriate level of fund balance and the reserve fund balances, you are 100% right as to do it only on a percentage of operating expenses is crazy and doesn't make any sense at all and then not thinking about capital costs at all so he thinks that really needs some work. And then we ought to think about a stabilization fund maybe put this in the General Fund where we really have it for the catastrophe like COVID or something that would come along so he would like to see us work on that. And think about, if we never touch the money, you are right, it can go down and how do we feed it back so forth and so on. The other thing that he thinks could save a lot of time and he agrees 100% with you is on all of this equipment purchases we ought to have a rolling number. We can sit and look at the last 10 years or so to see what we need for equipment and just turn around and budget as a single line item on an equipment reserve account that we buy equipment out of that and stop doing 150 data sheets for projects because it doesn't make any sense. Parks going into the General Fund is a great idea as the General Fund has been making about \$1 million a year and that he is not so sure that if we get into the methodology of central service cost allocation is that more of that, the expenses in the General Fund, should probably be laid off to the operations of the venues and the Utility Fund because that is what we are in business for. So it would seem to him that if we move the costs of Parks out of the Community Services Fund and operate that as part of the General Fund he thinks that would be a grand idea. He would like to you stop using funded capital resources as a source of revenues; what you are doing is using fund balance and you should just show nothing there anymore and see if our fund balances are increasing or decreasing at the bottom of the page. Putting it in as a revenue source item is really very confusing. Regarding the Rec and Beach fee flip, he would recommend that you keep the fees the same this next year and let's put up the money in beach for the Incline Beach building because he thinks it is going to be hard to finance that and if you want to do financing in the Community Services, that will be a lot easier. He also agrees with Trustee Schmitz that with employee benefits for venue usage.

**G. ADJOURNMENT (for possible action)**

The meeting was adjourned at 8:20 p.m.

Respectfully submitted,

Susan A. Herron  
District Clerk

Attachments\*:

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

Submitted by Aaron Katz – Written statement to be included in the written minutes of this January 20, 2021 special IVGID Board meeting – Agenda Item E(1) – Adoption of a proposed “baseline budget” which expands upon Fiscal Year 20221-22’s wasteful overspending and misapportionments



**WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS JANUARY 20, 2021 SPECIAL IVGID BOARD MEETING – AGENDA ITEM E(1) – ADOPTION OF A PROPOSED “BASELINE BUDGET” WHICH EXPANDS UPON FISCAL YEAR 2021-22’s WASTEFUL OVERSPENDING AND MIS-APPORTIONMENTS**

**Introduction:** Here our General Manager (“GM”) and Finance Director Navazio make their preliminary recommendations for yet another wasteful 2021-22 budget. Because we’re on the wrong road, I object. And that’s the purpose of this written statement.

**Starting Off With a “Baseline Budget” Can Only Lead to Disaster:** At page 3 of the Board packet for this meeting at ¶12<sup>1</sup>, staff tell the Board and the public that they intend to begin the process with a “baseline budget” which adopts 2020-21 revenue and expense assumptions. This guarantees that rather than eliminating wasteful overspending, staff propose starting out with previous fiscal year’s wasteful expenditures, only to “add on” to what is already improper.

**What is “Baseline Budgeting?”** “Baseline” or traditional or incremental budgeting “begins with the current year’s budget (or forecast) as a starting point.” It then adjusts “according to: actual spending in the new year...projects...for new expenditures, increases or decreases in labor costs (and) additional capital expenditures.”<sup>2</sup> “Then someone comes along, spends only half of that increase, and calls it a cut. NO, IT’S NOT (a cut)! You STILL (end up) spen(ding)...more than last year!”<sup>3</sup>

“In reality, baseline budgeting is one of the most sinister ways...politicians claim to cut spending when they are actually increasing spending. The Congressional Budget Office defines the ‘baseline’ as a benchmark for measuring the budgetary effects of proposed changes in federal revenue or spending, with the assumption...current budgetary policies or current services are *continued without change*. (Since) the baseline includes automatic adjustments for inflation and anticipated increases in program participation, baseline, or current services, budgeting...builds automatic, future spending increases into Congress’s budgetary forecasts.”<sup>3</sup> And the same on a local level.

**What’s Wrong With “Baseline Budgeting?”** “Baseline budgeting tilts the budget process in favor of *increased spending and taxes*. For example, if an agency’s budget is projected to grow by \$100 million, but only grows by \$75 million, according to baseline budgeting, that agency sustained a

---

<sup>1</sup> See that packet of materials prepared by staff in anticipation of this January 20, 2021 meeting [“the 1/20/2021 Board packet” ([https://www.yourtahoepace.com/uploads/pdf-ivgid/0120\\_-\\_Regular\\_-\\_Searchable.pdf](https://www.yourtahoepace.com/uploads/pdf-ivgid/0120_-_Regular_-_Searchable.pdf))].

<sup>2</sup> See page 7 at <https://xlerant.com/wp-content/uploads/2017/05/Zero-based-budgeting-versus-baseline-budgeting.pdf>.

<sup>3</sup> Go to <https://thehill.com/blogs/congress-blog/economy-a-budget/195099-there-are-no-cuts-the-fallacy-of-baseline-budgeting>.

\$25 million cut. That is analogous to a person who expects to gain 100 pounds only gaining 75 pounds, and (then) taking credit for losing 25 pounds...*Government is the only place this absurd logic is employed.*"<sup>4</sup>

Baseline budgeting:

- Employs a "status quo approach to business;"
- "Breed(s) waste;"
- "Encourage(s) people to...increase their budget each year, even if they don't need it;"
- Encourages a "spend it or lose it mentality;"
- "Does not encourage innovation;"
- "Does not respond to changing circumstances;"
- "Perpetuates misallocations of resources;"
- "Funding will be allocated to the same areas in the future even if they no longer need as much funding, or if other areas require more funding;"
- There is "little incentive to conduct a comprehensive review of the budget;" and,
- "Inefficiencies and budgetary slack are automatically rolled into (the) new budget."<sup>5</sup>

Eliminating the inflated budget baseline...force(s) IVGID staff) to justify and account for increased spending instead of hiding behind automatic increases."<sup>5</sup>

**Baseline Budgeting Will Perpetuate the Following Ongoing Wasteful Spending Staff Hide From the Board and the Public:** And the following is just a sliver of what the public is aware of because the Board and the public have no clue that the following expenditures are being made by staff:

**Tens of Thousands of Dollars of Procurement Card Expenditures:** There are over fifty (50) IVGID employees with their own IVGID credit (procurement) cards which allow them to make any expenditure they choose without advance approval. And they do! Candy at Costco, donuts at Carson Donuts, coffee at Starbucks, Sorel snow shoes via Amazon, it goes on-and-on. Baseline budgeting will allow all of these inappropriate purchases to continue;

**Thousands if Not Tens of Thousands of Dollars on Annual Employee Food and Drink:** I and others have discovered all sorts of employee food and drink purchases. Everything from it's an

---

<sup>4</sup> Go to <https://www.cagw.org/content/baseline-budgeting>.

<sup>5</sup> See page 9 at <https://xlerant.com/wp-content/uploads/2017/05/Zero-based-budgeting-versus-baseline-budgeting.pdf>.

employee's birthday, to we had a rough week, to end of season parties. All at the public's expense. Baseline budgeting will allow all of these inappropriate purchases to continue;

**Tens of Thousands of Dollars in Annual Memberships in Third Party Organizations:** the District and a number of its employees are members of all sorts of third party organizations that have little to do with making the public's recreational venues available for local parcel owners' use, and they all charge membership dues. And rather than paying these dues themselves, our employees pass on the costs to the public. Baseline budgeting will allow these inappropriate purchases to continue;

**Hundreds of Thousands of Dollars in Annual Lost Revenues Because of Staff's Philanthropic Give Away or Excessive Discounting of the Public's Recreational Facilities:** Everything from Weight Watcher and local homeowner association meetings to use of the District's recreational facilities so they can generate funds they get to retain for their favorite social/other cause of the month. Baseline budgeting will allow these inappropriate giveaways to continue;

**Meaningless "Certificates of Excellence" to Include in Our Comprehensive Annual Financial Reports ("CAFRs"):** Some time ago I debunked this propaganda tool which comes with a price tag, including unreimbursed staff time, of thousands of dollars. More and more this piece of propaganda<sup>6</sup> is being abandoned by municipality-by-municipality as a complete waste of taxpayer dollars. Yet listen to our Finance Director Paul Navazio: "we believe that our current (CAFR) continues to meet the Certificate of Achievement program's requirements<sup>7</sup> and we will be submitting it to the GFOA to determine its eligibility for another certificate."<sup>8</sup> Baseline budgeting will allow the cost of this inappropriate propaganda tool to continue;

**Over \$400,000 of Credit Card Issuer Processing Fees:** That's right! Because the District is in the retail recreation business, it charges user fees and accepts credit cards for payment. Every time the District processes a credit card charge, it is charged a fee of roughly 2.5% by its credit card processing bank. And last year these charges exceeded \$400,000. Baseline budgeting will allow these inappropriate processing charges to be replicated at local parcel owners' expense;

**Over \$20,000 of Annual Loomis Armored Car Transportation Fees:** Because the District is in the retail recreation business, it charges user fees and accepts cash for payment. And because it accepts cash it contracts with Loomis for that cash's delivery to the District's bank in town (Wells Fargo). And last year these charges exceeded \$20,000. Baseline budgeting will allow these unnecessary transportation charges to be replicated at local parcel owners' expense;

---

<sup>6</sup> See page 12 of that packet of materials prepared by staff in anticipation of the Audit Committee's January 20, 2021 meeting [[https://www.yourtahoepalace.com/uploads/pdf-ivgid/0120\\_-\\_Audit\\_-\\_Searchable.pdf](https://www.yourtahoepalace.com/uploads/pdf-ivgid/0120_-_Audit_-_Searchable.pdf) ("the 1/20/2021 Audit Committee packet")].

<sup>7</sup> Basically securing an audited CAFR which Nevada law requires of nearly all public agencies.

<sup>8</sup> See page 10 of the 1/20/2021 Audit Committee packet.

**\$35,000 of Payments to Members of Our Community to Purchase Their Allegiance:**

Don't you remember the District's payment of these charges for local resident Eric Severence's consultancy services which he ended up plagiarizing? Word has it payment was made because Mr. Severence was hurting for money and he asked. But in reality, this payment purchased nothing more than community allegiance. Baseline budgeting will allow unnecessary and inappropriate expenses like this one to continue at local parcel owners' expense;

**\$25,000 to Lobbyists to Advocate For or Against Proposed State Legislation:** Don't you remember how we learned that staff buried a \$25,000 expense for legislative lobbying services under the General Manager's services and supplies? Besides the fact that this is a totally inappropriate expenditure for a general improvement district ("GID") to make, baseline budgeting will allow unnecessary and inappropriate expenses like this one to continue at local parcel owners' expense;

**Allocating the Costs of Government to the Recreation ("RFF") and Beach ("BFF") Fees, and the Utility Rates, Tolls and Charges Local Parcel Owners Are Assessed:** How does the cost of an audited CAFR become an expense included in a proposed budget which is paid by the RFF/BFF or the utility rates, tolls and charges assessed local property owners? And how many other purely costs of government the Board and the public have no clue of have been budgeted to be paid, in whole or in part, by the RFF/BFF or the utility rates, tolls and charges assessed local property owners? By budgeting to reduce the costs of government by allocating them to alternative revenue sources, staff are freeing up the availability to pay for personnel costs assigned to the District's General Fund.

***Are these the kind of expenditures the Board intends be replicated in the 2021-22 Budget?***

**In Contrast, We Should be Employing Zero Based Budgeting:** because it mandates that:

- "All expenses – both old and new –...be justified for each new period based on demonstrable needs and costs;"
- "Each budget line item starts as \$0;"
- It "puts the onus on the budget managers to justify each line item in order to receive funding;"
- It "aims to drive value by optimizing costs and not just revenue;"
- It "can build a culture of accountability and cost management;
- The "goal (is) not only controlling expenses but identifying cost reduction opportunities."<sup>9</sup>

**The Detriments of Employing Zero Based Budgeting:** In fairness, consider the following:

- It is "potentially time consuming;"

---

<sup>9</sup> See pages 4-6 at <https://xlerant.com/wp-content/uploads/2017/05/Zero-based-budgeting-versus-baseline-budgeting.pdf>.

- It mandates that “systems and processes...be in place for detailed reporting;”
- It “sets detailed savings targets for the next budgeting cycle;”
- It “chang(es) attitudes towards costs.”<sup>10</sup>

But wait a minute. *Are these really detriments?*

**For These Reasons the Board Should *Reject* Any Budget Which Proposes an Expense Not Documented by Express Line-By-Line Identification:** I’ve asked for this before and I ask for it again. If you don’t know the particulars of what expenditures are included within Services and Supplies for example, you know *nothing*. So how can you approve a proposed budget which doesn’t disclose the particulars?

**Conclusion:** Staff’s proposal the Board begin with “baseline expenditure assumptions”<sup>1</sup> should be soundly rejected right from the start! Moreover, staff’s refusal to provide line-by-line documentation for every expenditure it proposes be included in the budget, be declare unacceptable? Because if you don’t know every expenditure staff propose be included in the budget they request the Board approve, *you don’t know anything!*

Once staff return with the documentation I suggest, we can have an intelligent discussion. But not before! I hope the Board agrees.

And to those asking why our RFF/BFF are as high as they are and never seem to go down, now you have another example of the reasons why.

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

---

<sup>10</sup> See page 6 at <https://xlerant.com/wp-content/uploads/2017/05/Zero-based-budgeting-versus-baseline-budgeting.pdf>.