

1 INCLINE VILLAGE
2 GENERAL IMPROVEMENT DISTRICT
3 GOLF ADVISORY COMMITTEE

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8 TRANSCRIPT OF HEARING
9 PUBLIC MEETING
10 Via Zoom

11
12 Held via Zoom

13
14 Thursday, February 22, 2024

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23
24 Reported by: Brandi Ann Vianney Smith
25 Job Number: IVGID 24

1 APPEARANCES

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3 **COMMITTEE MEMBERS PRESENT**
4 MICHAELA TONKING, CHAIR
5 TODD WILSON, MEMBER
6 ROBERT RICCITELLI, MEMBER
7 JAY SIMON, MEMBER
8 HARRY SWENSON, MEMBER

9
10 **ALSO PRESENT**
11 ANNE BRANHAM, LEGAL COUNSEL
12 HEIDI WHITE, DISTRICT CLERK

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1 Incline Village, Nevada - 2/22/2024 - 3:00 P.M.

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5 CHAIR TONKING: Let's begin. We will
6 start with the Pledge of Allegiance.

7 A. PLEDGE OF ALLEGIANCE
8 (Pledge of Allegiance.)

9 CHAIR TONKING: Thank you. That leads us
10 to the next agenda item which is initial public
11 comment.

12 B. INITIAL PUBLIC COMMENT

13 CHAIR TONKING: Do we have any public
14 comment?

15 MATT: We do have one in the queue.

16 MR. DOBLER: This is Cliff Dobler,
17 president.

18 I wanted to draw you guys' attention to
19 pages 60 to 67, which is the financial data on the
20 two golf courses. And I see that the recommendation
21 that should be coming out of you today was to
22 present to the Board a five-year financial
23 comparison. The report here has six years, but
24 that's beside the point.

25 Now, the problem that you're going to have

5

1 here as you read this through is a complete lack of
 2 consistency from one year to the next. And more
 3 importantly, these were done on a cash basis, but
 4 under general accepted accounting principles and the
 5 law, enterprise funds are supposed to be on an
 6 accrual basis. I'll try to run through a bunch of
 7 items that you might want to consider, but I
 8 certainly wouldn't use these sheets to present to
 9 the Board of Trustees because you might be quite
 10 embarrassed by it.

11 We'll start with the Championship Golf
 12 Course. The admissions and fees fell from 2019 to
 13 2021 because catering was part of the golf, then was
 14 eliminated and became part of the facilities fees.
 15 So the last couple of years do not have the facility
 16 costs for the food and beverage.

17 Now, you'll notice that the parcel owner
 18 discounts were stopped in 2022. This was a
 19 ridiculous idea of creating market prices and then
 20 reducing the prices down to actual rates, totally
 21 (inaudible) and then creating a parcel owner's
 22 allowance. That was again stopped.

23 Merchandise sales will probably not hit
 24 the 2024 budget.

25 Notice the large increase in salaries from

6

1 2022 to 2023, almost 32 percent. That should be
 2 considered.

3 Workman's comp benefits from 2024 exceeded
 4 the budget by one hundred percent. For only six
 5 months of this year, this has got to be incorrect.

6 No buildings maintenance service has been
 7 done in 2024 at all, and you wonder why.

8 Now debt service principal repayments are
 9 not an expense item. That's a balance sheet item
 10 and should not be recorded as an operating income or
 11 expense. The transaction out in 2020 could never
 12 have happened because there was no money to transfer
 13 out.

14 Food and beverage will probably fall short
 15 with only 45 days during the 2024 fiscal year, so it
 16 will drop by probably around 25 percent.

17 The Mountain Course partial owner
 18 allowances are the same as the Championship Golf
 19 Course.

20 (Expiration of three minutes.)

21 MR. JOHNSON: Hi. This is John Johnson.
 22 I would just like to say that the golfers
 23 of Incline Village Golf Club has been formed
 24 officially in the Northern California Golf
 25 Association. I'd like to thank Rob for finding us

7

1 some dates where we can have some events. We're
 2 going to have four of them at the Championship Golf
 3 Course, and I believe we have eight scheduled in the
 4 afternoon during the week at the Mountain Course.
 5 We hope the group can grow.

6 If you have any questions, I don't think
 7 I'm very hard to find, you know, either by email or
 8 by phone, about the club itself. I would encourage
 9 members of the community to reach out and join. You
 10 can find us on Facebook or, again, pretty easy to
 11 find me locally either by phone or email.

12 Thank you very much, and I look forward to
 13 the meeting.

14 MATT: That's our last public comment in
 15 the queue.

16 CHAIR TONKING: That closes out public
 17 comment. The next thing is item C.

18 C. APPROVAL OF AGENDA

19 CHAIR TONKING: Does anyone have any
 20 changes to the agenda?

21 Great. So then the agenda is approved as
 22 is.

23 D. REPORTS TO THE COMMITTEE

24 D 1. Golf Operations GM Update

25 CHAIR TONKING: Subject, verbal update

8

1 regarding the hiring of the general manager of golf
 2 operations. Requesting staff member Director of
 3 Human Resources Erin Feore.

4 MS. FEORE: Quick update. We met with
 5 our -- one of our finalists for a big decision on
 6 Wednesday. We did a second round of interviews, got
 7 some great background and information from this
 8 candidate, and then did a quick tour of the
 9 facilities. Was able to introduce this candidate to
 10 some of the golf staff, Mr. Clothier, Mr. Bruce,
 11 Mr. Merritt, and, again, just kind of toured around
 12 the facility. This person has expressed agreed
 13 interest in working with our district. This person
 14 actually has been kind of on the fringes of our
 15 district for a really long time. They're an avid
 16 skier, and they skied at Diamond Peak several times.
 17 They've golfed our golf courses. So far, really
 18 great candidate. It was wonderful to meet with
 19 them.

20 We do have one more interview coming up
 21 tomorrow. And following that interview, we'll have
 22 an idea as to whether or not that candidate would
 23 move on to a second round. And we're still kind of
 24 working out some -- I'll defer a little of this over
 25 to IGM Bandelin, but we're still working out some

9

1 ideas of the organization, but we are hoping -- I
 2 would say that -- and, Mr. Bandelin, please tell me
 3 if I'm being overly optimistic. I am hoping by the
 4 middle of next week, we'll have some information to
 5 present to everyone and a decision made on this
 6 particular position.
 7 CHAIR TONKING: Thank you for that update.
 8 That's really, really exciting.
 9 MEMBER SIMON: How many candidates did you
 10 get from the Northern California Golf Association?
 11 MS. FEORE: We received four candidates
 12 altogether. Let me rephrase that. We received --
 13 let me go in and take a quick look. I believe we
 14 received six candidates altogether. We narrowed
 15 that down to four, and of those four, we narrowed
 16 that further down to two.
 17 And one -- was what really odd was one had
 18 applied, and the very next day we reached out to
 19 talk about, potentially, scheduling an interview and
 20 they said that they had literally, that same day,
 21 accepted an offer with another employer. We were
 22 unfortunate that we weren't able to -- the timing
 23 was very odd because they had applied and literally
 24 the very next day they reached out, and they had
 25 already found other employment. So, it was great

10

1 that we did it, I'm glad that we did it because it
 2 was a good opportunity for us to review the
 3 applications that were coming in.
 4 Mr. Simon, as you know, some of the
 5 applications that we received fell into some of the
 6 buckets that we've seen previously where the
 7 candidates had strong head golf pro experience, but,
 8 perhaps, were missing a little of the financial
 9 experience that we're looking for this position.
 10 This one gentleman -- and I hope you were
 11 able to receive the email that I had sent, but I
 12 sent that candidate's information, just so you can
 13 review. I understand you may not be available
 14 tomorrow. We found the one candidate that remained
 15 and did want to move forward with the interview.
 16 MEMBER SIMON: I'll look for it after this
 17 meeting.
 18 CHAIR TONKING: Are there any other
 19 questions?
 20 Thank you. That will close out item D 1.
 21 D 2. Golf Club Agreement
 22 CHAIR TONKING: Then D 2 is verbal report
 23 on golf agreement. Requesting trustee Michaela
 24 Tonking.
 25 I have been asked to look into an

11

1 agreement to be treated between the clubs and the
 2 District. And so this agreement is to look -- and I
 3 guess I'll explain the process first.
 4 The process is I'm going to work with
 5 legal. They felt this conversation -- I'm going to
 6 tell you, some of things we were thinking about
 7 including, work with legal at our next meeting which
 8 is the first week in March, we will look at the
 9 agreement and see if there's any changes you all
 10 think. And I will be bringing it to the Board at
 11 our first March meeting. That's kind of the
 12 timeline on it.
 13 And so what this is is it's truly just an
 14 agreement, and I'm trying to make it be something
 15 that can be utilized as clubs may form throughout
 16 this District, so it's not just going to be golf
 17 related. But right now, that's our main and really
 18 only, (inaudible) clubs.
 19 And so what it's going to look at is what
 20 are some agreements that need to be laid out between
 21 the District and the club. Use of property, you
 22 guys, the clubs had access to some of our software
 23 system. So just kind of putting some rules and
 24 guidance around that. As well as membership, so
 25 making sure that, because there are priority times,

12

1 that membership is only to residents or Picture Pass
 2 Holders. And then just basic rules of about use of
 3 space within IVGID.
 4 Are there any questions or things that you
 5 also think would be really important that is
 6 included in this type of policy or just questions
 7 about if I didn't explain that clearly?
 8 MEMBER WILSON: Just curious. What has
 9 been the process before? And is this something
 10 that's very new, and if so, what drove this
 11 direction to put this in place?
 12 CHAIR TONKING: No, we have not had a
 13 policy between the clubs. And I think there had
 14 been some confusion during our last cycle around --
 15 or last, like, budget cycle around what clubs have
 16 access to and what they don't. There was these
 17 concepts and rumors around the idea that they get
 18 huge deducted rates, all this different stuff.
 19 So, we were trying to, A, mitigate some of
 20 that confusion, and then, B, we have a software
 21 called "Golf Genius," that the District pays for and
 22 has a District logo on it, for example, and then the
 23 clubs have people who are allowed to utilize it.
 24 It was recommended by legal to ensure our
 25 own liability as the District, that we create some

13

1 agreement between them on what that type of software
 2 can and can't be used for and that kind of stuff.
 3 So just making sure that if we're allowing
 4 indivial entities to do stuff, that there's some
 5 sort of an agreement between us, if that make sense.
 6 MR. BRUCE: As far as what you're talking
 7 about with Golf Genius, that situation has pretty
 8 much been resolved, so I don't know how much more we
 9 need to discuss that.
 10 But we've had meetings with the clubs, and
 11 we're going a different direction than having the
 12 Board pay for that.
 13 CHAIR TONKING: That's great. Again, it's
 14 any software that we end up using or anything, just
 15 to create some sort of agreement. Again, very
 16 generic, because I want it to be something that can
 17 be used for other organizations or clubs that may
 18 come up throughout the District so we don't run into
 19 any of these issues, if that make sense.
 20 MR. BRUCE: Yeah. Thank you.
 21 CHAIR TONKING: Thank you for that
 22 clarification.
 23 Then, IT, can we let in an attendee?
 24 That's Harry. He's calling.
 25 So, any other questions on this policy?

15

1 MR. BRUCE: Correct. All it is is you now
 2 have ownership of the Golf Genius instead of it
 3 being purchased through IVGID. It will be your own
 4 ownership, and the clubs will own their own Golf
 5 Genius. But I still have access that you give to
 6 me.
 7 MEMBER SIMON: What are you going to do
 8 for events that are non-club related? Are you going
 9 to have your own Golf Genius?
 10 MR. BRUCE: I'll have a different type of
 11 program. Or my own Golf Genius that's not the
 12 expensive one.
 13 CHAIR TONKING: Any other questions about
 14 the policy or ideas of things that you think need to
 15 be included or shouldn't be included?
 16 MEMBER SIMON: Is this going to be an
 17 agreement that you will be asking each of the club
 18 presidents to sign or what?
 19 CHAIR TONKING: I need to talk to legal a
 20 little bit more about what that would look like. It
 21 may just be, yes, something that they sign, or I'm
 22 really trying to make it be -- and the Board may
 23 feel different when they review it -- just like a
 24 guiding document of when you play at the golf
 25 course, for example, here are the rules that you

14

1 MEMBER RICCITELLI: When might we get a
 2 draft of this for the clubs to review?
 3 CHAIR TONKING: Yes. I'm going to work
 4 with legal, hopefully next week. I'm also out of
 5 the country, but I'll give them an outline of kind
 6 of an outline of what we're thinking and where we
 7 want that to look like, and then work with their
 8 recommendations. And then it will be at our -- I
 9 will make sure that it's part of that packet,
 10 hopefully, by the end of next week, so you can all
 11 have that posted.
 12 MEMBER SIMON: Question for Rob. Rob, I'm
 13 not aware of what happened with Golf Genius, so I
 14 don't know what -- how to respond to this.
 15 MR. BRUCE: As far as Golf Genius, we had
 16 a discussion with the president of the clubs, for
 17 the most part, one representative from each club,
 18 and decided to go a different direction as far the
 19 clubs will have their own Golf Genius. That way,
 20 IVGID will not have to purchase that for them. It
 21 will be their own property, their own ownership.
 22 That make sense?
 23 MEMBER SIMON: Yeah. But so you'll still
 24 be one of the administrators of each of the clubs
 25 then?

16

1 have to follow, and just kind of leave it at that.
 2 We'll see.
 3 Any other questions or concerns?
 4 Okay. That closes item D 2.
 5 E. CONSENT CALENDAR
 6 CHAIR TONKING: That brings us to E. On
 7 the consent calendar we have approval of the Golf
 8 Advisory meeting minutes for January 11th, 2024,
 9 those can be found on pages 3 to 25. And then
 10 approval of the Golf Advisory meeting minutes for
 11 January 25th, 2024, which can be found on pages 26
 12 to 39.
 13 Do I have a motion for any consents?
 14 MEMBER RICCITELLI: Motion to approve.
 15 MEMBER SIMON: Second.
 16 CHAIR TONKING: All in favor?
 17 MEMBER SIMON: Aye.
 18 MEMBER RICCITELLI: Aye.
 19 MEMBER SWENSON: Aye.
 20 CHAIR TONKING: Aye.
 21 MEMBER WILSON: Aye.
 22 All opposed? That's 5/0. Okay.
 23 That moves us on to general business.
 24 F. GENERAL BUSINESS
 25 F 1. Meeting Minutes Feedback

17

1 CHAIR TONKING: Item F 1, subject, review,
 2 discuss, and provide committee feedback regarding
 3 the draft Golf Advisory meeting minutes provided by
 4 the District Clerk for January 25th, 2024, which can
 5 be found on pages 40 to 44 in the packet.
 6 All this is is I wanted to see how you all
 7 felt, our District Clerk also provides board minutes
 8 that are much more concise than the court
 9 reporter minutes. They're just kind of information
 10 blurbs and then people can watch the meeting and
 11 really get the in-depth parts that they may want to
 12 hear, like the actual verbatim.
 13 And so I wanted to see if you guys felt
 14 that it was okay to use those types of
 15 meeting minutes versus the long form or what
 16 people's preferences were?
 17 MEMBER SIMON: I certainly prefer the
 18 shorter version.
 19 MEMBER RICCITELLI: Me too.
 20 MEMBER SWENSON: I was agreeing with the
 21 other two gentlemen that were on there. I agree
 22 that we should probably -- you know, if we have a
 23 bunch of discussion, if there's a consensus, it
 24 should just be "discussion about this," and then,
 25 "there was consensus reached on this," and if we did

18

1 any votes, that type of thing.
 2 Trying to sort through -- I read -- tried
 3 to read some of these, and it looks like what I
 4 said. I'm not sure it's worth our efforts. I mean,
 5 I'm a secretary for one of the golf clubs, and if I
 6 did that to them, they'd yell at me.
 7 CHAIR TONKING: Okay. So it sounds like a
 8 lot of people are in favor of the shorter
 9 meeting minutes.
 10 MEMBER WILSON: I'm in strong support. So
 11 would we continue to have both or just move to this
 12 condensed format?
 13 CHAIR TONKING: I'm going to propose that
 14 we move forward to this format. I will bring it up
 15 on my Board of Trustee update. If there is an issue
 16 with it, I will then bring it as an item. It has to
 17 be discussed as an item at the board meeting. I
 18 will do that if there seems to be more discussion,
 19 but our goal is to move to this.
 20 But, first, we have to make a motion of
 21 what our recommendation would be. Do I have a
 22 motion on this?
 23 MEMBER WILSON: So moved.
 24 MEMBER RICCITELLI: Second.
 25 MEMBER SWENSON: I have one more

19

1 discussion.
 2 CHAIR TONKING: Let me have it seconded,
 3 and then we can open it for discussion.
 4 Do I have a second?
 5 MEMBER RICCITELLI: Second.
 6 CHAIR TONKING: Do I have any discussion?
 7 MEMBER SWENSON: Yeah. We will always
 8 have the actual -- not the transcript, but the
 9 recordings; correct?
 10 CHAIR TONKING: Yes, the recordings will
 11 always be on there.
 12 MEMBER SWENSON: So I see no need to have
 13 a transcript.
 14 MEMBER WILSON: I just wanted to add one
 15 more thing, because I know that this is the
 16 direction that the Board of Trustees has gone in the
 17 past, and so for what it's worth, I definitely find
 18 that memorandum version of it captures the essence
 19 of it much better. We still have the chance to go
 20 back and review, it has to be approved as the
 21 official minutes from the previous meeting. And it,
 22 in my mind, captures the essence of what we talked
 23 about far better than trying to understand the back
 24 and forth and painfully going through all of my oral
 25 fillers and the grammatical errors that a transcript

20

1 might have. Instead, we go right to the point and
 2 make sure we all agree that that was the point.
 3 For what that's worth, because it may be
 4 different from the trustees -- the Board of Trustees
 5 perspective, but for what we're trying to accomplish
 6 here, I definitely think that's a much more
 7 efficient way to capture what we talk about.
 8 CHAIR TONKING: All those in favor, please
 9 say aye.
 10 MEMBER SIMON: Aye.
 11 MEMBER RICCITELLI: Aye.
 12 MEMBER SWENSON: Aye.
 13 MEMBER WILSON: Aye.
 14 CHAIR TONKING: Aye.
 15 Perfect. That passes five to zero.
 16 F 2. Golf Data
 17 CHAIR TONKING: Subject: Review and
 18 discuss golf data regarding the utilization of the
 19 District courses, the play mix, local course
 20 pricing, and a five-year financial comparison of the
 21 Championship and Mountain courses, which can be
 22 found on pages 45 to 67.
 23 MEMBER SWENSON: I have an initial
 24 question on this. It looks like this was -- at
 25 least it's titled that way, that 2019, 2020 data of

21

1 the golf course utilization.

2 CHAIR TONKING: I believe that it should

3 be the up-to-date one.

4 MR. BRUCE: Yeah, that's up to date.

5 Sorry. I just didn't change the title. My bad. I

6 put so many numbers in there, I forgot to change the

7 title.

8 MR. BANDELIN: Rob Bruce put these graphs

9 together talking about the utilization at both

10 courses. And I think he would be the one to kind of

11 at least tell us kind of how these sheets lay out as

12 far as utilization at the two courses.

13 I'll turn it over to Rob Bruce.

14 MR. BRUCE: Let's see. Going to -- let me

15 get on to right page here. Basically what I did was

16 I took each month, each day of each month, and put

17 in the play makeup, whether it be residents, guests,

18 or non-residents. And then attached to that, what

19 resident passes were used. That gives us a lot of

20 information here. Not sure if you guys have had a

21 chance to look at it. Hopefully you have.

22 It shows the percentage of residents to

23 guests to non-residents, and also shows the

24 percentages of how much Play Passes were used. If

25 you go down to -- I kind of gave the information

23

1 used the most, which is 10-play pass, then your

2 20-play pass, then your limited pass, then your

3 40-play, and then your 30-play.

4 Fairly similar at the Mountain, but the

5 Mountain Course had an option for 9-hole play, which

6 is what the Mountain Niners use mostly. So the most

7 used up there was that 10-play nine-hole pass,

8 secondly was the limited pass, then the 20-play

9 nine-hole pass, and then the 10-play pass, finally

10 the 40-play pass.

11 If you move down to, starting on page 48,

12 it shows kind of the breakdown of each month,

13 starting with May at the Champ. Once again on that

14 page on that spreadsheet, it's going to show you the

15 percentage of players, number of players, the

16 breakdown of who played, and then also the total

17 amount of play for that month plus the revenues

18 collected.

19 Now the one thing about that revenue

20 collected, it does not calculate the revenue

21 received for the Play Passes. So that's only

22 revenue from residents, non-residents, and guests.

23 But you look at each month, May was 75

24 percent used, June was 73 percent utilization. We

25 get into July, 86 percent, that's usually our

22

1 where it shows most of what was used. It's showing

2 that in 2023, and this is 2023 season, not a

3 fiscal year but the actual from May until October of

4 2023.

5 MR. BANDELIN: Can you reference the page

6 number of the sheet that you're speaking to? It

7 starts on page 46, and that's attachment 1.

8 MR. BRUCE: Correct.

9 Page 47, starting on the utilization for

10 2023, it shows -- I kind of wanted to separate the

11 high season from shoulder season, so if you look at

12 Champ 2023, high season, which is June, July,

13 August, used 78 percent of our utilization. If you

14 use the whole season, it's 75 percent.

15 If you look at the Mountain Course,

16 obviously a lot lower. Your high season percentage

17 was 69 percent, and the overall season was 63

18 percent. The reason I broke that down is because

19 early season/late season, there could be some issues

20 with weather, could be fires, but last year was just

21 weather issues, plus we opened up late due to snow

22 last year.

23 Also on that page, it kinda of shows you

24 who the passes were and what passes were used most.

25 The passes at the Champ Course, the one that was

24

1 busiest month. August is 81 percent, September,

2 down to 73 percent, and then October, 54 percent.

3 If you look at the last page on page 53,

4 it shows a breakdown of the average utilization by

5 each individual resident, guest, or non-resident.

6 But if you look at Champ Course for 2023, residents

7 play was 59 percent and guest play was 10 percent,

8 your non-resident play was 21 percent. That's

9 fairly historical since I've been here the last

10 ten years. That's about, rough estimate, 68 to 32

11 percent; 68 being residents, 32 being non-residents.

12 So as far as the makeup of play between residents

13 and non-residents, very similar to season pass.

14 Keep going down into the Mountain Course.

15 Obviously, we were not open at all in May of

16 last year due to snow. We didn't open up until the

17 9th of June. If you go down now to your next

18 spreadsheet, page 55, the month of June, we were at

19 56 percent usage. July, we were up to 75 percent;

20 August, 72 percent; September, 61 percent. And

21 remember that in September there was quite a large

22 cart project, so we were basically closed for a week

23 plus a couple extra days here and there due to that

24 cart project. That percentage is going to be a

25 little bit lower than normal. Then in October, we

25

1 were down to 52.

2 Overall average is pretty close.

3 Residents were 64 percent, the guests is 10 percent,

4 and non-residents, 26 percent. Very similar

5 to years past as far as the breakup in percentage,

6 but it appears, overall, the usage was slightly down

7 maybe five to eight percent.

8 That's really all I have on usage. Is

9 there any questions on those spreadsheets that I can

10 help clarify a little bit?

11 MEMBER SWENSON: When you say "usage," do

12 you mean that somebody was out at the tee time or

13 was a four-person, four people out on the tee time?

14 MR. BRUCE: Not necessarily. I went by

15 number of players for the day, not per tee time, but

16 per player.

17 So we could have three players, but I

18 tallied it as three players, not four. It's the

19 individual count of players.

20 MEMBER WILSON: With respect to the closed

21 cart path project effect, it looks like the

22 available slots are not included, and so as a

23 utilization number, we're already taking out the

24 cart path so it wouldn't remain in the denominator

25 with your slots taken on the numerator, right?

26

1 MR. BRUCE: Yeah. The overall percentage,

2 that's correct. Overall percentage -- because I

3 didn't add the total -- there was no times available

4 on those dates, so the total number would be

5 excluding the availability of those dates. Correct.

6 MEMBER RICCITELLI: What percentage do you

7 expect to use like in the key months, June, July,

8 August?

9 MR. BRUCE: I called a couple of other

10 courses around just to talk to some of their

11 professionals, and they're saying anywhere from 80

12 to 85 percent is pretty good, pretty solid.

13 MEMBER RICCITELLI: I would think that as

14 well.

15 MR. BRUCE: What you have is as we looked

16 at the times that were utilized at the Champ Course

17 from 4:30 to 6:00, even though times were available,

18 they didn't get filled a lot. Those aren't your

19 prime times, but they still calculate it as tee

20 times available.

21 And at the Mountain Course, which is

22 opposite, is the seven o'clock to about 8:30 a.m.

23 were not filled as much either, still calculated in

24 the available tee times.

25 So, if you're already losing eight to ten

27

1 percent just because it's just not getting filled,

2 80 to 85 percent of usage is pretty high.

3 MEMBER SIMON: When you talk about 80 to

4 85 percent as being good, is that adjusted for

5 weather or are you just saying that that's overall?

6 MR. BRUCE: Yeah, an overall percentage.

7 You could have weather involved in there, but you

8 have to expect some weather up in Tahoe, especially

9 early and late season.

10 MEMBER SIMON: The thing that probably

11 sticks out to me, I mean, a couple of things like

12 total rounds of 22,612 was lower than the total

13 rounds in 2022, and there was 20 percent more tee

14 times. So that's -- I mean, that's something that

15 tells me that there's room to grow.

16 MR. BRUCE: I do agree. I wish I had this

17 same kind of format for prior years, say, three to

18 five years back. Moving forward, obviously I'll

19 keep this format and be able to do it moving

20 forward, but I feel like we were probably five to

21 eight percent, probably, down from what we were

22 previous years.

23 MEMBER SWENSON: Let me follow up on that

24 question. Because it may seem like there's total

25 rounds, but we're losing utilization based upon --

28

1 okay. Let me try it this way.

2 I think I'm reading this right. We're

3 counting, you're counting a lower number now with

4 higher capacities because -- are you counting --

5 sorry. I'm struggling with this because I really

6 want to understand this. I'll look at a particular

7 example. Let's just say July 4th, the amount of

8 people that were serviced that day, that's close to

9 a total number, I don't know if it's July 3rd or

10 something, that's a high-round day, right?

11 MR. BRUCE: Correct.

12 MEMBER SWENSON: And your total numbers of

13 people playing that day would be a lot more; is that

14 right?

15 MR. BRUCE: Yeah. Correct. If you're

16 looking at the spreadsheet, in row O, in which I

17 have total rounds played, and then on OF, it shows

18 what was actually available.

19 Each day is slightly different because of

20 different events, if there's a shotgun, so on and so

21 forth. I tried to get exactly how many were

22 available and then how many actually played. So,

23 yes, you will see some numbers available less than

24 different days.

25 Was that your question, Harry?

29

1 CHAIR TONKING: Did that answer your
 2 question?
 3 MEMBER SWENSON: Yes, it did.
 4 CHAIR TONKING: And I do kind of want to
 5 be careful -- to Jay's point -- about trying to
 6 compare this to last year's data and data before
 7 because this is the first time Rob has ever laid
 8 this data out this way. So some of the decision
 9 points that were made, especially around shotguns
 10 and things like that, are different than decision
 11 points that Darren made or had in his more rough
 12 analysis pulling out of the other system.
 13 And so we do have to kind of think about
 14 that a little bit and figure out a way to get some
 15 more apples to apples. And, Rob, we can talk about
 16 that. I don't want us to have this perfect idea
 17 that we're using apples-to-apples comparison.
 18 MEMBER SIMON: It's close.
 19 CHAIR TONKING: Yes, it is close. I just
 20 want to make sure that do we know that there's some
 21 decision points made that were made that would be a
 22 little bit different.
 23 MEMBER SIMON: I know some really high
 24 revenue days were, it looks like, outside play like
 25 in July somebody by the name of "Doc" had 44

30

1 players. I mean, that's a big revenue day.
 2 So, do you -- is it hard to get a group
 3 like that size on a Saturday?
 4 MR. BRUCE: I can tell you right now in
 5 the last two weeks, I have 32 requests for similar
 6 events, and that's just a start. I'll get another,
 7 probably, 30 in March, and probably another 30ish or
 8 so in April. But these tournament groups know that
 9 we fill up, and they want to get these on the books
 10 prior to us opening our tee sheets.
 11 I do sell a lot of those events. I have
 12 to turn some of them away, obviously, but for the
 13 most part, I can usually get these groups in,
 14 whether they're 16 to 50, 60 players, and, yeah,
 15 there definitely the high-revenue groups.
 16 MEMBER SIMON: Yeah, that's big money.
 17 I went through this and I was trying to
 18 figure out if there -- I mean, I was just looking
 19 for things that were exceptions or stuck out to me.
 20 And I went into two busiest months, July and August,
 21 and I just figured out what days were the busiest.
 22 And took out if there was a rain day or something, I
 23 took it out, or if there was an IBGC or TIGC
 24 invitational, I took it out.
 25 Saturday, I would have thought Saturday

31

1 would be the busiest day, and it's not. In fact,
 2 Saturday is only the second-busiest day in terms of
 3 utilization, Tuesday being the lowest, at least in
 4 one month. I mean, it changes, Monday, Tuesday.
 5 But consistently, Saturday is only like an
 6 80 percent utilization day, overall. So that's
 7 surprised me because, I mean, there's a -- well,
 8 people with Play Passes can't play, and I think a
 9 lot of the locals don't play.
 10 But it seems like there's room for you to
 11 book more of those high-revenue groups.
 12 MR. BRUCE: Yep, I agree.
 13 I can tell you what happens with some of
 14 those groups is when I tell them a \$247 green fee
 15 versus \$226 green fee, Thursday sounds really good
 16 to them. So, Thursdays and Fridays seem to book up
 17 a lot more than Saturday/Sundays. Friday is still
 18 considered a weekend rate. But I do get a lot of
 19 groups that say, okay, Saturday is too expensive,
 20 let's look at Thursday.
 21 So it could be just a conscience of their
 22 group and what they can afford to pay.
 23 MEMBER WILSON: Just to make sure I
 24 understand the way this shows up at the spreadsheet,
 25 if we have, let's say, a group of 40 and they play

32

1 on a given day and it's recorded in those time
 2 slots, it's recorded on whatever Play Pass or not
 3 that they have. Is that right? Rather than this
 4 being separate for that group.
 5 MR. BRUCE: I'm not sure I understand the
 6 question. As far as the outside groups, they're all
 7 going to be, at least 90 percent of them,
 8 non-resident. So they will be calculated as
 9 non-resident rather than non-resident green fee
 10 revenue.
 11 MEMBER WILSON: Right. So it would be
 12 showing up on those columns, it's not separated out
 13 to say this is an organized event. It would be
 14 captured, even if most of it's showing up in
 15 non-resident?
 16 MR. BRUCE: Correct. So like if you look
 17 at one where there's a day it's higher non-residents
 18 than resident, that means it's an outside group,
 19 which will calculate their number of play as
 20 non-resident versus resident or guest.
 21 I will say that on some of the events,
 22 especially in September, the revenue is not
 23 collected on that day. Some of our groups have
 24 invoices through either the Hyatt or some other
 25 invoice through them, so sometimes that revenue

33

1 doesn't collect that day. But for the most part,
 2 the group should be collected for payment of day of
 3 play.
 4 MEMBER WILSON: I just want to say thank
 5 you, Rob. This is really great information. I'm
 6 sure it took some time to put together, so thank you
 7 for all that.
 8 MR. BRUCE: My pleasure. It helps me as
 9 well because I can see what's going on now.
 10 MEMBER WILSON: Maybe I'm pushing it too
 11 much to ask, but is it possible to make the
 12 spreadsheet available? I just think there's so much
 13 value here in taking this and applying some
 14 additional analytics and statistical analysis based
 15 on the Play Pass combinations and days. It might
 16 even get us a step further to see whether or not it
 17 make senses with some pricing elasticity with the
 18 key times that are left open.
 19 MR. BRUCE: Absolutely. As long as it's
 20 okay with legal, I'll send it to everybody.
 21 CHAIR TONKING: Anne, I don't see there's
 22 an issue -- right? -- with having it be an Excel
 23 document.
 24 MS. BRANHAM: No. It's the same
 25 information that's already been a part of this

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1 package. It's in the Excel format.
 2 CHAIR TONKING: Yes. So that members
 3 could use it to look at different things, other than
 4 just what's displayed the sheet.
 5 MS. BRANHAM: Yes. As long as there's not
 6 metadata that contains anything confidential to the
 7 District or that could be used against the District
 8 at any point.
 9 But, yeah, as long as it's just a normal
 10 Excel sheet, that should be totally fine.
 11 CHAIR TONKING: It's all normal Excel with
 12 formulas for basic additions, subtraction, and
 13 percentages. But we can hard code all numbers in
 14 there, if that's easier.
 15 Rob, could you just hard code all the
 16 numbers in there, if you don't mind?
 17 MR. BRUCE: Show me how to do that and
 18 I'll do that.
 19 CHAIR TONKING: You can send it to me, and
 20 I'll hard code it for you. Thank you for putting
 21 this together, it's really great and really helpful.
 22 Any more questions on this?
 23 MR. BANDELIN: I do have a question for
 24 Rob. And, again, I think all of us want to thank
 25 you very much for putting this together.

35

1 Not really having a lot of understanding
 2 of golf course, but in column S, "Total Available,"
 3 it seems like the top number, if I look at some of
 4 the peak months, is 256 rounds. Is that the max
 5 rounds the golf has team calculated per tee times
 6 and so forth that the course is available to handle?
 7 MR. BRUCE: Correct. On each day, I
 8 counted what tee times were available for that day
 9 and put that down in S. Correct. Some days, full
 10 course, is 256 for the Champ.
 11 MR. BANDELIN: So that's the percentage
 12 drop of the utilization of the total available.
 13 That's good to know that that's the amount of
 14 players that we might see on a perfect day with
 15 total, one hundred percent utilization is 256 on
 16 some of those days, outside of events and so forth.
 17 MR. BRUCE: Correct.
 18 MEMBER WILSON: One last question, Rob.
 19 Given that it's the first time that you broke it
 20 down into this level of detail, is there anything
 21 that stands out to you in terms of either
 22 opportunity for additional revenue, opportunity for
 23 increased utilization? Obviously, you know the
 24 course way better and this probably means a lot more
 25 to you that it does to us even.

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1 Anything in particular that stands out to
 2 you and would be something for us to consider?
 3 MR. BRUCE: The biggest thing I noticed
 4 was, obviously, your weekday day play, most of your
 5 Monday through Thursday, when there are more usage
 6 of Play Passes, there's less opportunity for tee
 7 times, and there's less revenue coming in --
 8 MEMBER SIMON: Is that a function of the
 9 shotguns?
 10 MR. BRUCE: Correct. When you use a
 11 shotgun, you take away the possibility of available
 12 tee times.
 13 MEMBER SIMON: What if you added players
 14 to the shotgun?
 15 MR. BRUCE: That would be my suggestion.
 16 If we were to have an ideal world, would be to have
 17 instead of three to four days a week with shotguns,
 18 have two days a week with shotguns and have more
 19 people in their shotguns.
 20 MEMBER SIMON: Do you currently -- if
 21 somebody wants to play on Tuesday, Wednesday, or
 22 Thursday when there's a shotgun, do you give them an
 23 opportunity now to play at the end of the shotgun or
 24 not at all?
 25 MR. BRUCE: Let's say historically, no, we

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1 have not. There's some times when we have a group
 2 of 20 that wants to play, and the only thing they
 3 can do is play in the mornings, then, yes, I would
 4 add that group to the, say, morning shotgun and make
 5 it a larger shotgun. The issue with that, although
 6 it's nice to have all your tee times full, is now
 7 you start running into pay-for-play issue. If you
 8 have an 80-player shotgun, it runs fairly smoothly,
 9 you start going to a 100-plus, now you have some
 10 timing issues, little more harder work for the
 11 rangers to keep pace of play, and that can hinder
 12 possible available tee times later.

13 MEMBER SIMON: And most of the shotguns
 14 that are during week are not 80 players, are they?

15 MR. BRUCE: No. It depends. Some of them
 16 are simply 20 to 36, which if it's that small, we do
 17 a reverse shotgun. Once the players get through the
 18 number one tee, then I can open that tee back up,
 19 which gives us, again, more available tee times.

20 I'm trying to understand the pace of play
 21 and how quickly people come through in a reverse
 22 shotgun and allow you to open up X amount of tee
 23 times. I would say, historically, we probably lost
 24 two to four tee times after a shotgun just because
 25 of pace of play.

39

1 MR. BRUCE: Correct.

2 I think from looking at -- I have another
 3 spreadsheet that shows just the total dollar amount
 4 of Play Passes sold, which I have about half
 5 a million dollars, 500,000, so that revenue is in
 6 there, it's just not attached to my spreadsheet.

7 MEMBER WILSON: We could roughly estimate
 8 that, right? I mean, we know how much a 10-play
 9 pass costs, assuming it's mostly used, we know the
 10 cost per round. I'm not suggesting you to do that,
 11 I'm just saying that could be added in as a very
 12 good estimate of what the total revenue on
 13 those days would be.

14 MEMBER SIMON: You have a dollar-per-round
 15 revenue, I think sent out to you, it has --

16 MR. BRUCE: You showed it to me.

17 CHAIR TONKING: And that has it included,
 18 I believe, to your point.

19 MEMBER SIMON: My point is if you want to
 20 extrapolate out. You're saying that the revenue --
 21 you're not just talking about All You Can Play
 22 Passes, you're talking about all the Play Passes.

23 MR. BRUCE: Correct. Anything that's a
 24 Play Pass, which is in that rust color on my
 25 spreadsheet, that shows the number of passes that

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1 MEMBER SIMON: I think you got to do what
 2 you gotta do. Yeah. And the pace of play will have
 3 to be dealt with by the rangers.

4 MR. BRUCE: I agree. It's always been an
 5 issue. With all clubs, it's a high point of
 6 conversation about pace of play.

7 We've done better than we have in the
 8 past. Since I've been back here the last ten years,
 9 I know the pace of play has gotten increasingly
 10 better. The last couple of years, it started to
 11 slow down a little bit, but I think that's just the
 12 number of players we're having in our shotgun.

13 MEMBER RICCITELLI: Where do the Play
 14 Passes show up on this revenue thing? Are they in
 15 column R or someplace else?

16 MR. BRUCE: They're on the spreadsheet, we
 17 don't have any revenue from the Play Passes. The
 18 only revenue you see on here is from revenue
 19 collected from daily residents, guest, or
 20 non-resident. The deferred payments in the Play
 21 Passes are shown somewhere else, but I don't have
 22 that on this spreadsheet.

23 CHAIR TONKING: All the review is slightly
 24 understated, then; is that correct? If there was a
 25 pass play.

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1 were used and which passes were used, but it does
 2 not calculate revenue attached to it.

3 MEMBER RICCITELLI: That gets booked when
 4 you buy the pass?

5 MR. BRUCE: When you check in, there's a
 6 deferred payment calculated as we swipe your card or
 7 check you in under your Play Pass. I personally
 8 don't know how that deferment is calculated. I just
 9 know that it's shown daily on a report.

10 The only thing I had, if you look at page
 11 53, and shows the total revenue, if you just add
 12 half a million to that, that would be your total
 13 revenue including Play Passes sold. But it won't
 14 show where the Play Passes were used.

15 CHAIR TONKING: Any more questions on
 16 utilization data?

17 MEMBER SWENSON: Rob, I do appreciate,
 18 really do appreciate this data and the work that
 19 went into it.

20 You got me thinking about these shotguns
 21 again. I don't know if I'm looking at an anecdotal
 22 piece of data here or not, but it looks like you do
 23 much better if you have two shotguns a day versus
 24 one, and then you reduce the number of a.m. shotguns
 25 per week. Would that be helpful at all to condense

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1 the shotguns into morning/afternoon on the same day
 2 and then morning/afternoon on the next day, and then
 3 leave the rest of the time available? Am I thinking
 4 I'm seeing something in the data that doesn't exist?
 5 MR. BRUCE: You're close. If we had a
 6 shotgun in the morning, 8:30 shotgun, usually around
 7 1:00 to 1:30, I can open up the tee sheet. If I can
 8 get from 1:00 to 6:00 full of daily play, you're
 9 going to get more revenue than if you did an 8:30
 10 and a 1:30 shotgun.
 11 A lot of times I do an 8:30 and 1:30
 12 shotgun because of groups that want to play. Like a
 13 group of 40 wants to try to finish at the same time,
 14 I try to match those up with days that there are
 15 resident or open shotguns in the morning and fill
 16 the shotgun in the afternoon.
 17 But a lot of groups don't like to have a
 18 shotgun. A lot of, let's just say, regular, daily
 19 golfers don't want to start on hole 3. They want to
 20 see the golf course from 1 on.
 21 So if you're talking about revenue from
 22 your non-residents, it's better to have just a
 23 morning shotgun and then open times in the
 24 afternoon. But if we're talking a group and a
 25 group, then a morning shotgun and afternoon shotgun.

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1 a lot of stuff done just because we have the whole
 2 back nine open and part of the front nine before
 3 that first group will catch us to really get out and
 4 do whatever we need to do. A lot of times it's just
 5 doing some hand watering or some of the stuff that
 6 we missed in the morning before the shotgun.
 7 But the shotguns, the more -- I've said it
 8 three years and I know it's tough, but the more we
 9 can condense shotguns from three or four a week to
 10 maybe a little bit less would certainly be a benefit
 11 to maintenance.
 12 CHAIR TONKING: Any other questions? Or
 13 my next question on this is any idea on
 14 recommendations they have just based off of
 15 utilization or would you like to move to the next
 16 component, financials?
 17 MEMBER WILSON: We talked about the number
 18 of shotguns. How does that decision get made? Is
 19 it something that we can recommend you take on at
 20 your discretion or do we wait until the new
 21 director?
 22 As we talk about it, I'm just wondering
 23 what's the action on that? I think that's
 24 independent of the rest of the discussion, at least
 25 it seems like it would be.

42

1 There's about 12 to 15 days were we have
 2 an 8:30 and a 1:30 shotgun to maximize the revenue
 3 there. But I still believe that if you have open
 4 tee times in the afternoon after a morning shotgun,
 5 you'll still collect more revenue.
 6 MR. CLOUTHIER: If I could throw my two
 7 cents in here on the shotguns. I totally agree with
 8 Rob as far as if we can condense shotguns down to
 9 maybe two days a week instead of four. Shotguns are
 10 tough on maintenance, and it really depends on the
 11 size of the shotgun, but shotguns can be really
 12 tough for us to get a lot done, to get anything
 13 done, other than get the golf course prepared and
 14 just get out of way. When you have three or four of
 15 those a week, that's where it really starts to back
 16 up on you, and we start to really have to defer
 17 things and you start missing things.
 18 And I also agree with Rob on the if we're
 19 going to have a double shotgun or if you're trying
 20 to get two shotguns in a day, if it's groups,
 21 absolutely, if we can do that. But if the morning
 22 shotgun goes instead of having the group in the
 23 afternoon, we can usually sneak out on the backside
 24 and really do a lot of work right after that first
 25 shotgun's over. There's a lot of times where we get

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1 CHAIR TONKING: I think the number of
 2 shotguns is probably not something that the Board
 3 would recommend because it's not like it's
 4 operational, so the Board would not oversee that.
 5 I think this is something, though, that I
 6 can put out there, like a conversation to have with
 7 the new director of golf, and just like some of the
 8 things we're hearing and thoughts that we can
 9 consider within the new role in thinking about
 10 operations. I'll have that flagged for discussion
 11 once that person is in the role.
 12 MEMBER SIMON: Like I said, I would say if
 13 you can move all those outside groups that want to
 14 book, if you can work them for a little higher fee
 15 on a Saturday, I'd get them in.
 16 MR. BRUCE: I tell them.
 17 CHAIR TONKING: I don't know if this is at
 18 all what people would think, but do you think there
 19 should be some sort of policy about when you reach X
 20 number people in your group that you have to play
 21 during certain times or book during certain times or
 22 anything like that? I don't know if that's helpful
 23 or not helpful. I'm trying to gauge thoughts.
 24 MR. BRUCE: When you're trying to sell a
 25 tournament event, you kind of want to get what

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1 they're looking for so they want to use your
 2 facilities, because they can go somewhere else and
 3 get what they want somewhere else, probably. I
 4 usually try to sell what I can.
 5 Now, like I said, I've been talking with
 6 lots of people lately, which I've added some to some
 7 morning shotguns, I've made afternoon shotguns.
 8 Once again, it's usually going to be available for
 9 when they're in town. A lot of these people are
 10 like convention people who are up for some of kind
 11 of convention or group meeting, they're staying at
 12 the Hyatt or down in Reno, and they're only here for
 13 certain days. It's hard to change their dates
 14 except the day they're here.
 15 But, yeah, I definitely try to get the
 16 tournament groups to be in the best position for the
 17 availability of the golf course.
 18 MEMBER SWENSON: Rob, does it make sense
 19 to discount them after they get to a certain number?
 20 MR. BRUCE: There is a tournament rate,
 21 per say. Basically what I push for our tournament
 22 groups is that, A, they're an outside group that
 23 doesn't have to pay a pre-book fee, so they're
 24 saving \$15 a player already. Then I quote them a
 25 rate, and in that rate, I say they're going to get X

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1 able to push more to a higher price a day is
 2 probably easier than trying to get more players.
 3 CHAIR TONKING: Any other questions or
 4 ideas on utilization? Again, of course we can
 5 continue to talk about utilization, but before we
 6 move to the next piece.
 7 MEMBER SWENSON: I'd love to see an expert
 8 on analytics in our group take these numbers, put it
 9 in a table, and figure out what to do with it.
 10 CHAIR TONKING: Yeah. I think I gave
 11 Heidi the clean one. So she has all the clean ones,
 12 so that can be sent out. Then I think at our next
 13 meeting, if anyone has any data they want added to
 14 the packet of someone else's stuff they did, please
 15 send it to me. Or if you have an idea on an
 16 analysis that you don't know how to do, please reach
 17 out and I or someone else can figure our how to do
 18 it for you. But that's a great point.
 19 We'll move over into the financial realm.
 20 I believe that Adam is going to be presenting, or
 21 Bobby?
 22 MR. MAGEE: I've asked Mr. Cripps to
 23 present today. Thank you.
 24 CHAIR TONKING: I was hoping you could
 25 talk a little about the financials, and really

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1 amount of dollars per person back in a gift card,
 2 which they can use for shop merchandise.
 3 So, yes, there is a little bit of a
 4 discount, but I don't want to go below a certain
 5 rate because now you're just kind of discounting
 6 golf when you can sell it at a full rate.
 7 MEMBER SWENSON: I know that. Well, I
 8 wasn't sure of that. I was just wondering, let's
 9 just say you had a group of 80 -- would you say a
 10 group of 50 and say, well, if you get it up to 80 we
 11 can give you this rate, or something like that? I
 12 was just wondering if that would make any sense.
 13 Because that's just straight cash to you guys,
 14 right?
 15 MR. BRUCE: Sure. And I understand that.
 16 But most of the time, these groups are already, I
 17 got 20 guys, I'm coming. It's nothing like, okay, I
 18 can get 40. They already have a number in their
 19 head, they want four or five tee times, or they have
 20 80 already and want a group of 80.
 21 So more often than not they'll say a
 22 number, and they usually come with less anyway.
 23 They want 24 players and they come with 20.
 24 I'm trying to upsell more players,
 25 probably not something that would happen, but being

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1 spending some time, because golf is a really
 2 confusing area because it's split into two
 3 fiscal years. So if you can kind of work with us to
 4 make sure that everyone gets that, and I'm sure
 5 there will be a lot of questions around how to
 6 interpret it and to go from there.
 7 I don't know if you have an intro that you
 8 want to give. I can have people start asking
 9 questions. If you could walk through the data a
 10 little bit with us.
 11 MR. CRIPPS: As far as an official intro,
 12 no. It was really to touch base on what we're
 13 looking at here. We see, of course, the year as
 14 '19, '20, '21, I did want to separate that line
 15 where we're looking on finances in at a fiscal year
 16 now, where we're splitting that season in half
 17 depending on when you start. As Rob eluded to
 18 earlier, they had a year where they started in May
 19 because of snow. That means you're going to be a
 20 little shy at the end of one fiscal year for
 21 revenues, whereas if you extend the season, you
 22 might see revenues be a little bit higher in that
 23 fiscal year.
 24 There is a separation that we have to deal
 25 with in finance. We get the lovely life of living

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1 on two calendars, and we have January through
 2 December and June through July. But I am happy to
 3 also go through any questions we have.
 4 What you'll be looking at is your
 5 summarized versions of what our revenue codes are
 6 compared with what our expenditure codes are for
 7 golf specifically. So then with that, I do want to
 8 open it up to some questions anybody may have.
 9 MEMBER SWENSON: When's your fiscal year?
 10 MR. CRIPPS: July 1 to June 30.
 11 CHAIR TONKING: My first question --
 12 MEMBER SIMON: I have a lot of questions.
 13 CHAIR TONKING: I was going to do a quick
 14 preface question to kinda get people thinking about
 15 the two-year split, and then, Jay, we can jump into
 16 your tons of questions, if that works.
 17 My one question that I really wanted to
 18 look into is how do you allocate, then, Play Passes
 19 that are purchased? Do you allocate those just when
 20 they're bought in May or June, or is it or allocated
 21 across the season? What does that look like?
 22 MR. CRIPPS: That's gets into more like
 23 the accounting details, but where we'll have a
 24 deferred revenue. So if you buy a pass, at what
 25 point do you actually use it?

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1 of the season is when we -- that would be the
 2 reconciliation, it would be done at the end of the
 3 season.
 4 We would need to know when the season is
 5 done. We don't really have a hard date where it's
 6 -- I would think November, because we want -- we're
 7 still going to have things trickle in and we have
 8 our postings. I would think November would probably
 9 be a month that we review that, but then it would be
 10 trued up at the end of the season.
 11 CHAIR TONKING: I have one follow-up
 12 question on that. In this financial sheet we're
 13 looking at for the most current year, fiscal year,
 14 it has been trued up as of December, we believe, or
 15 have you guys got to that? I know there's some
 16 delays in financials in general this week within
 17 your department.
 18 MR. CRIPPS: Yeah. The revenue office,
 19 they are caught up. I believe these are fairly
 20 accurate.
 21 MEMBER SIMON: 2024 actual is from July
 22 1st of this year -- or of 2023, through what?
 23 MR. CRIPPS: The 2024 actual, yes, July 1
 24 of 2023 through January. I believe our revenue
 25 office is caught up through January.

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1 CHAIR TONKING: So the revenue that we are
 2 looking at right now is the utilization of those
 3 Play Passes; is that correct? Or is that also --
 4 MR. CRIPPS: Correct.
 5 CHAIR TONKING: Great.
 6 MR. CRIPPS: And it does go -- if I was to
 7 buy a pass, let's say a 10-play pass, and I bought
 8 it June 15th and I used one of them, then in
 9 whatever fiscal year that -- let's say I did it last
 10 year, so in '23, you would see one usage of that,
 11 and then I used the rest of them in July, August,
 12 September, you would see that carry over into the
 13 next year.
 14 MEMBER SIMON: When do you true it up?
 15 The month of October is your financial statement
 16 where you zero out the deferred revenue account.
 17 MR. CRIPPS: When it comes to deferred
 18 revenue, if the pass is still valid, then it's still
 19 going to be deferred. So that's really going to
 20 depend on if there's an expiration or not.
 21 MEMBER SIMON: They all expire.
 22 CHAIR TONKING: They all expire at the end
 23 of October because the season ends. So do we then
 24 do it then?
 25 MR. CRIPPS: Yes. It would be at the end

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1 MEMBER SIMON: So through January 31st?
 2 MR. CRIPPS: Yes.
 3 MEMBER SIMON: I was surprised to see a
 4 budget. You've already done the budget for 2024?
 5 MR. CRIPPS: Yes. Because our fiscal year
 6 goes from July 1 to June 30, we prepared the budget
 7 for 2024 because the start of the fiscal year
 8 happens July 1 of 2023, and then carries 12 months
 9 to June into 2024.
 10 MEMBER SIMON: Right. So all that
 11 budgeting is already done for the fiscal year that
 12 will end June 30th? You're all done with that?
 13 MR. CRIPPS: That's correct. We're
 14 actually in the process of budgeting for the
 15 upcoming fiscal year.
 16 MEMBER SIMON: How are these generated?
 17 Is this from your general ledger? Where do those
 18 numbers/statements come from? Is it a division
 19 within the general ledger? Help me understand where
 20 this came from.
 21 MR. CRIPPS: Yeah, it is from the general
 22 ledger. And what goes into that and why I said it's
 23 a summarized version, we have our point of sales
 24 system that we're collecting the revenues based on
 25 the metrics that we're receiving them, resident,

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1 non-resident, and from there it's going to go to our
 2 revenue office. They're going to then say where
 3 it's going to book to our general ledger, and that's
 4 where you see as the separation between your
 5 Championship and Mountain. That way, we know what
 6 course actually generated these numbers. They'll
 7 book those through our accounting system to the
 8 general ledger.
 9 So the numbers that you see underneath the
 10 revenue column and expenditure column, for example,
 11 those are our object numbers in our general ledger
 12 for revenues and expenditures.
 13 MEMBER SIMON: I don't know what we can
 14 possibly use this for, Michaela.
 15 CHAIR TONKING: What do you mean?
 16 MEMBER SIMON: Well, does this mean
 17 anything to you?
 18 MEMBER RICCITELLI: To me, it means that
 19 if you look at the 2024 actuals versus the 2024
 20 budget, you're going to have whenever we open in May
 21 until the end of June to make up this shortfall --
 22 CHAIR TONKING: In revenues, yes.
 23 MEMBER RICCITELLI: -- across all these.
 24 Which is probably unlikely. It looks like a big gap
 25 to do in four or five weeks.

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1 MEMBER RICCITELLI: Yeah. If you look
 2 down that list, there's four categories of revenue,
 3 and they're all short by three, four, seven, million
 4 bucks.
 5 MR. BRUCE: Yeah.
 6 CHAIR TONKING: Yeah.
 7 MEMBER RICCITELLI: So 300 won't --
 8 MR. BRUCE: Yeah, I see when you're
 9 saying.
 10 MEMBER RICCITELLI: Not that it's a big
 11 deal. It's just, to the earlier point, the way the
 12 thing is split, it's just the way it is. Makes it
 13 hard to read it. It would be like looking at
 14 October or something of a calendar year. But that's
 15 the way it is. I get it.
 16 CHAIR TONKING: It's frustrating. It's
 17 also frustrating as a board member when trying to
 18 budget.
 19 MEMBER SIMON: What would \$521,000 of
 20 facility fees be in 2023?
 21 CHAIR TONKING: 2023 facility fee.
 22 MEMBER SIMON: It's a credit.
 23 MEMBER RICCITELLI: That's also confusing
 24 because it looks like the revenues are shown as --
 25 what is that? -- counter.

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1 CHAIR TONKING: Yes. Or to cut the
 2 expenditures to ensure that we keep --
 3 MEMBER RICCITELLI: Yeah, and all that.
 4 MEMBER SIMON: In terms of the revenue,
 5 the revenue is also from the budget, it doesn't make
 6 any sense.
 7 MEMBER RICCITELLI: Because there's still
 8 six weeks or something like that left in that year,
 9 as I understand it.
 10 CHAIR TONKING: That's correct. Whenever
 11 we open. If we open in May or June, yeah.
 12 I think the concern is I think we're --
 13 what? -- 60 percent of where we should be, and we
 14 don't have that much left of the season. I think
 15 that's a good point to look at.
 16 MR. BRUCE: If you look from the month of
 17 May and the month of June in 2023, we made \$380,000.
 18 If you add \$380,000 to our 2024 budget, it looks
 19 like a pretty close to what that 680 is.
 20 MEMBER RICCITELLI: Yeah. That's true.
 21 Does that 300 include all these categories or just
 22 passes?
 23 MR. BRUCE: That is just the revenue for
 24 green fees for residents, guests, and non-residents.
 25 It does not include passes.

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1 CHAIR TONKING: I don't see your 5,000 of
 2 --
 3 MEMBER SIMON: 521,000 in 2023 column
 4 under facility fees.
 5 MR. CRIPPS: Look toward the bottom third
 6 of that first page. There's a small break, and
 7 you'll see facilities fees of 4490.
 8 CHAIR TONKING: I just don't see 5,000.
 9 MEMBER SIMON: It's 521,000.
 10 CHAIR TONKING: I see. Yeah. Well,
 11 that's a revenue. We used to -- to back up. The
 12 facility fee is what we would allocate when we
 13 raised it from everyone's parcel, and every parcel
 14 owner pay their facility fees. And within that, we
 15 need to allocate that, then, to each of the venues.
 16 So that must have been the allocation of facility
 17 fee that was put in to cover the allocation in 2023.
 18 MEMBER SIMON: But this is a credit.
 19 CHAIR TONKING: I shouldn't be.
 20 MEMBER RICCITELLI: All the revenues show
 21 that way.
 22 CHAIR TONKING: It's just how the profit
 23 and loss statements look. All your revenues are
 24 going to be in the negative form, and all your
 25 expenditures will be in the positive.

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1 It is revenue that was given to golf
2 courses from the facility fee.
3 MEMBER SIMON: I don't get it. Why would
4 that be out there in one year, not even in 2022, and
5 a small number in previous years?
6 CHAIR TONKING: We can look at how it was
7 allocated each year. I'm not sure why this -- why
8 we don't have longevity. I'm not sure why 2022
9 doesn't have a facility fee in it. It may not have
10 ended up needing it. I'd have to look at the
11 bottom.
12 But then, yeah, there is usually an
13 allocation every year to cover things. The facility
14 fee also could have been higher in that year to
15 cover some additional capital work that was done.
16 MR. BANDELIN: That's correct, Michaela.
17 MEMBER SIMON: Some of things that Cliff
18 brought up, like the increase and labor costs of
19 31 percent from '22 into '23, is interesting.
20 CHAIR TONKING: Good point.
21 MR. BRUCE: I can mention something to
22 that. We were way out of line as far as
23 comparatively to other pay scales in the District.
24 For instance, if you worked at Diamond Peak, you
25 would get \$20 an hour, and you come down here and I

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1 expenditures. I think a lot of it would come down
2 to that, like if there was any kind of change in
3 what actually golf does for themselves.
4 But other than that, as far as when you do
5 see the lines, the comparable lines, if there is
6 information there then that would be consistent, for
7 the most part, year over year.
8 MEMBER SIMON: One of the items that I
9 don't understand how you do the accounting is fleet
10 maintenance services. Is that an allocated expense
11 or how does that work?
12 MR. BANDELIN: Fleet maintenance is an
13 internal division within the District that charges
14 out for services at all venues, including Public
15 Works, ski golf, Parks and Rec, and any over-turf
16 vehicles, over-snow vehicles, rolling stock, as a
17 department of a certain amount of what we call
18 "mechanics," and we budget a particular amount for
19 the year, and then they perform those services.
20 What you'll see in call center 7540 for
21 fleet maintenance services is the cost on an annual
22 basis, and then of course, 2024 budgeting amount of
23 the cost of the services for fleet maintenance.
24 MEMBER SIMON: It would be each fleet
25 maintenance guy or gal would charge ten hours of

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1 can only pay you 15 for doing, basically, the same
2 type of job. So there was quite a bit of an
3 increase in just hourly rates last year compared to
4 2022.
5 CHAIR TONKING: There were also different
6 staffing in 2022. Weren't we short staffed?
7 MR. BRUCE: Slightly but not a lot. There
8 was definitely a little bit of increase in staffing
9 for 2023.
10 CHAIR TONKING: Adam, when I'm looking at
11 your expenditure section, do we know if there's been
12 any changes of what's included and excluded from
13 year to year? Are there some apples to apples we're
14 missing? Food service, I know, is one big one where
15 that's kind of been in two different buckets for a
16 while.
17 I want to make sure that we're looking at
18 the same thing.
19 MR. CRIPPS: If there was ever any kind of
20 organizational change, I wouldn't personally know
21 those types of intricacies right now.
22 If we did have, let's say, golf oversee
23 their own food and beverage operations instead of as
24 the District as whole, then you could see a
25 year-over-year change in those types of

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1 their standard fee of \$60 an hour and it would get
2 charged here?
3 MR. BANDELIN: That's correct. All the
4 mechanics report to the fleet division, and we show
5 in the budget as one internal services department,
6 just the same as buildings, and we know what the
7 cost is to employ and/or service all the vehicles in
8 the District. Then through over time, we know what
9 we budget out for each one of those venues, and
10 that's the number that you see to cover the costs as
11 a whole, as a district, for fleet maintenance
12 services.
13 When you're seeing the numbers across the
14 board from five years ago, you're looking at between
15 250 and 300,000. And then we can see that we had a
16 case where the number has bumped up from '23 actual
17 to '24 budget from 265,000 to 392,000. That's
18 because we knew, one, the cost of the mechanics
19 probably went up, and we knew that maybe we had
20 older equipment that we were looking at that was
21 going to cost more to maintain.
22 The budget's put together from the fleet
23 services manager. So it's a tough --
24 MEMBER SIMON: This doesn't include any
25 equipment costs. This is all labor allocated?

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1 MR. BANDELIN: No. Let me clarify. It's,
 2 one, -- you don't see in the wages section of your
 3 report -- you don't see fleet maintenance wage in
 4 there; you see in that particular object code, 7540,
 5 is all labor and materials and supplies and parts
 6 for the equipment at the golf course.
 7 MEMBER SIMON: Labor, material, and parts.
 8 But not the cost of the equipment being depreciated
 9 or cost for this?
 10 MR. BANDELIN: That's correct. So you
 11 would never see a new replacement piece of equipment
 12 within fleet maintenance services. That would be in
 13 the capital improvement section.
 14 MEMBER RICCITELLI: Depreciation shows up
 15 somewhere on here?
 16 MR. CRIPPS: You're not going to see it on
 17 these sheets. What this here is just to give you a
 18 side-by-side comparison of revenues versus
 19 expenditures. When it comes to the depreciation,
 20 now we're talking about balance sheet items, which
 21 is recorded in a different way.
 22 MEMBER RICCITELLI: It's not broken down
 23 at this, it's somewhere higher up.
 24 MR. CRIPPS: Correct.
 25 MR. BANDELIN: I'll just continue on real

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1 quick. That's the same for building maintenance
 2 services, object code 7550. That would include
 3 parts, material, labor all categorized in that
 4 object codes for the actuals for all the years, and
 5 then the budget amount of \$104,200.
 6 MEMBER SIMON: When these people keep a
 7 time sheet and allocate their time for the day and
 8 they cost it out to different divisions within the
 9 District, is that true?
 10 MR. BANDELIN: That's true. Yep. And
 11 we're actually -- the interim Finance Director and
 12 Adam and myself have been asked to maybe take a look
 13 at fleet maintenance services across the District,
 14 just to do some analytics and analyze the department
 15 to see if any changes need to be made.
 16 MEMBER SIMON: Is that whole system of
 17 charging by all these different people, is that all
 18 part of the payroll system?
 19 MR. BANDELIN: It's actually in a program
 20 called "CFA." It's the -- each piece of equipment
 21 and each hour of labor is tracked in a software or
 22 in a system to be able to know what the actual cost
 23 is, by month, that's allocated in the journal to
 24 that particular call center for each one of the
 25 venues.

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1 This is all a government financing, Jay,
 2 and so -- I can kind of go through each one of these
 3 object codes and tell you --
 4 MEMBER SIMON: No. I don't want to
 5 dominate. All I would say is that no golf courses
 6 can sustain these level of fleet maintenance
 7 services.
 8 MR. BANDELIN: You're right. Who wants to
 9 do the quick math? We're budgeted at 392,000, 494,
 10 and we divide that by 22,000 rounds, it's a fairly
 11 expensive piece of the puzzle as it relates to
 12 expenses.
 13 CHAIR TONKING: Any other thoughts on
 14 these financials?
 15 MEMBER WILSON: Back to the split with the
 16 fiscal calendar. Is it possible to split out on a
 17 calendar basis or to use our reporting capability
 18 from our source system to provide July through
 19 December of last year?
 20 It just seems difficult to try to
 21 recommend any pricing for this coming season when we
 22 won't really know the relatively accurate numbers
 23 until August, maybe September. I don't know what
 24 the normal end-of-the-year process is.
 25 CHAIR TONKING: You want to know what do

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1 profit and loss statements look like if it was just
 2 pulled from July 1, 2022, to December 30th, 2022,
 3 and then compare it to the 2023? I'm just seeing if
 4 I understand the question.
 5 MEMBER WILSON: Yeah. Well, ideally.
 6 Because the fair amount of the implementation,
 7 nothing new, but you typically would have the
 8 ability to report off of whatever periods, even if
 9 it were not your statutory requirements. And I
 10 certainly get that that's paramount.
 11 But, ideally, it would be a five-year
 12 calendar look, even if that doesn't align to the
 13 budget, we at least have an idea of. Did our
 14 pricing last year work rather than finding out late
 15 summer it wasn't even close.
 16 CHAIR TONKING: Does our system pull where
 17 you can put in start date/end date, and then get
 18 that one period of time with the same types of
 19 information?
 20 MR. CRIPPS: He did touch on it. It would
 21 be by period. We can definitely do period-specific
 22 reports.
 23 But what you will run into, it will be
 24 hard to tie it to budgets, and you really got to
 25 focus on what you're looking at. If we make

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1 something definitive and that hard-lined, it will be
2 hard to expand on comparing it otherwise.
3 It definitely will do period by period,
4 but then at that point, we do kind of have to
5 maintain what we're looking at.
6 CHAIR TONKING: That's fair. If we have
7 this, which is an actual what it looks like, and the
8 analysis you did and we then we have that with
9 budget, we could just do those couple periods.
10 MR. CRIPPS: It would look similar, and so
11 we would really have to make sure we notate that
12 this is period -- what period are you looking at?
13 Period one through six, to us, that's July through
14 December. That's the first six months, and so we
15 can break it up like that. Then we identify the
16 periods of a fiscal year that we're looking at.
17 That will help us identify how we can structure it
18 to get into more of that seasonal mentality,
19 calendar mentality.
20 CHAIR TONKING: I think it will also help
21 to understand what are some of the costs we bear in
22 those off months, and just trying to understand how
23 that looks as well if we can do it in those periods
24 so we can break out a little more in detail, if
25 possible, without looking at it on a monthly basis.

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1 of that that we could mass together with what we
2 already have or what is currently available in the
3 2024 period, then at least we have an idea of where
4 to start that's going to be seasonal, and it should
5 be because our golf is seasonal.
6 MEMBER RICCITELLI: 2023, that's a full 12
7 months, right?
8 MR. CRIPPS: The fiscal year is
9 twelve months, yes.
10 MEMBER RICCITELLI: In 2023, what does
11 line 31 all the way at the bottom mean? It looks
12 like the expenses were 5-something million and the
13 revenue was less. So what is that? I mean, if
14 somebody looked at this sheet, would they assume
15 that golf course had revenue of 4.392 million and
16 costs of 5-something million?
17 MR. CRIPPS: Yes.
18 MEMBER RICCITELLI: And so there's a
19 capital improvement of 773,000 in there. Because
20 one of the things that I think, after we take a step
21 back out of the mud, is that golf loses money. That
22 was one of the initial headlines that I heard when
23 we first started this thing.
24 So if somebody looked at this spreadsheet,
25 golf lost \$766,000 that year, of which 773 were some

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1 Just truly whatever it spits out is
2 perfect.
3 MR. CRIPPS: If we're doing period by
4 period, it would become, in essence, a monthly
5 styled report, yeah. Each period is a month for us.
6 But if we're looking at, let's say we
7 wanted to see, okay, let's compare with Jeff's
8 report here, he's looking at seasonally -- right? --
9 from a calendar perspective. And if we want to try
10 to then use his information with the additional
11 information that I can provide as far as
12 expenditures, of course, because Jeff's not going to
13 know the details like I do, we can definitely work
14 with that to form and get something along those
15 lines.
16 If that would be helpful, that's something
17 that we can definitely do.
18 MEMBER WILSON: I think that would be a
19 huge help. Even if it doesn't align to the budget,
20 frankly, I wouldn't even know where to start to
21 analyze the budget or make a recommendation on it
22 without having 12 months of data for all the last
23 calendar year to compare to it.
24 If we had that by period, from January of
25 last year to December of last year, or some version

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1 kind of capital improvement. Am I reading that
2 correct?
3 MR. CRIPPS: Correct. At that point, what
4 you're looking at is expenditures over revenues.
5 And the delta between those is, in fact, the
6 expenditures were more.
7 MEMBER SIMON: But nobody should assume
8 that that is really what the golf course was. It's
9 also got 183,000 in principal payments. I just want
10 to make sure that when this gets in the public
11 domain --
12 MEMBER RICCITELLI: I get that. But if
13 this is floating somewhere around and that's what
14 somebody's looking at and it's misleading.
15 CHAIR TONKING: I think it's important
16 that we lay this out in a way that makes sense. I
17 think -- and that's going to come from our
18 recommendations, because this is exactly a very
19 similar report to what the Board would get when we
20 try to make a decision. And I think that
21 conversation around debt and capital is key, and I
22 think it gets confusing for some.
23 I think the more straightforward we can
24 show, to the community also, those should not be
25 included or here are some of the reasons certain

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1 items are in here or should not be in here and why.
 2 That's super helpful.
 3 MEMBER RICCITELLI: When you get below
 4 central costs allocation, are these all allocations?
 5 Capital, debt service, are those allocations or are
 6 those actuals for the golf course?
 7 MR. CRIPPS: For your capital improvement
 8 and then the principal and interest, the capital
 9 improvement is not an allocation. The principal and
 10 interest, those are going to be an allocation based
 11 off of interest earned in our account. And then
 12 when you have your amortization, that's on a bond
 13 specifically to golf, so that's going to be
 14 specific. That's not going to be an allocation;
 15 it's just going to be an amortization table.
 16 It's a combination, so, yes, your interest
 17 is going to be allocated. Principal, no. Capital
 18 improvements, no. That's an expenditure line itself
 19 directly to --
 20 MEMBER RICCITELLI: But what is 773?
 21 Wouldn't that be depreciated in an income statement
 22 or is that the depreciated amount? The 773 on
 23 capital improvements. I'm just going back to the
 24 last, full fiscal --
 25 MR. CRIPPS: It's a more generalized line,

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1 though. Most likely what was used out of that line
 2 are depreciable assets, but it doesn't mean that,
 3 maybe, that the work is done on some of them. You
 4 can have projects that carry over a year if there
 5 was a purchase.
 6 It's hard to say completely -- like, you
 7 just can't take that as a whole number and say that
 8 whole entire thing was capitalized. And at what
 9 point then, yes, on a financial statement, if you're
 10 looking at it from that aspect, then it would be
 11 moved over to the balance sheet item and it would be
 12 showing up as an asset under a different line.
 13 MEMBER RICCITELLI: And then it would be
 14 depreciated here over whatever schedule it would be.
 15 MR. CRIPPS: Correct. Based on what it
 16 was.
 17 MEMBER SIMON: What was done that would
 18 amount to \$773,000 on the Championship Golf Course?
 19 CHAIR TONKING: I'm sure we can pull in
 20 that CIP line.
 21 MEMBER SIMON: Does it make sense?
 22 CHAIR TONKING: That was probably carts.
 23 Carts is probably in there.
 24 MEMBER RICCITELLI: That should be the
 25 depreciated amount.

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1 CHAIR TONKING: What we need to do, Adam,
 2 is figure out exactly what makes up that capital
 3 improvement so that people can better understand
 4 that line.
 5 MR. CRIPPS: I would like to add a little
 6 bit more, though. You're kind of teeter tottering
 7 on a delicate line here versus what is this really
 8 trying to show you.
 9 That 773 that's on this report, that was
 10 spent. So whether it's a depreciable asset or not,
 11 that was money that left the door. Now, whether
 12 reporting it on just your expenditures over revenues
 13 report, which this is more designed to do to give
 14 you that kind of just right-up-front indication, now
 15 we're looking at balance sheet items and what type
 16 of assets that an entity has where now we are at
 17 teeter tottering. And in the hands of certain
 18 people if they start asking those questions, this
 19 report is designed to try to simplify it to where it
 20 is specifically just your revenues, expenditures,
 21 and --
 22 MEMBER RICCITELLI: This would be like a
 23 cash flow statement almost.
 24 MR. CRIPPS: Yeah. But again, now we're
 25 -- depending on who you tell that word "cash flow"

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1 to, they're going to start picking on that term as
 2 well.
 3 But, yes, I mean, in a given year for a
 4 fiscal year, the revenues that we booked and the
 5 expenses that we booked.
 6 MEMBER RICCITELLI: Right. But in any
 7 good accounting system, things that have a useful
 8 life of more than a year -- I mean, if you sell a
 9 beer, that's gone. But if you buy tractor for
 10 \$100,000, that's not something that only serves one
 11 golf season so that's why it would be depreciated.
 12 The only reason why I'm asking that is
 13 because people look at this stuff, oh my god, the
 14 golf course loses \$800,000. And that's how we get
 15 in these conundrums, I think, of trying to defend
 16 golf clubs and tee times and green fees and all that
 17 stuff.
 18 MR. CRIPPS: Well, no, and understanding,
 19 too, and it comes back to really helping explain to
 20 the public what we're looking at. If we have a year
 21 where we're a lot heavier in capital, it's likely we
 22 had a large capital expense, whatever it could have
 23 been. Let's say we had to redo the kitchen or a
 24 large ADA compliance-type of project, and with that,
 25 though, what you're doing, through your fees and

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1 projections, is you're really trying to build your
 2 fund balance to support these types of activities
 3 because your assets are going to depreciate, and
 4 depreciation in the real world means deterioration.
 5 Right? You're going to lose them eventually.
 6 But, yes, you're not wrong. You do have
 7 these major assets and these major components that
 8 you are -- they are an equitable asset. You've
 9 traded the cash for an item that really holds value,
 10 but they do require maintenance and eventually you
 11 expect failure. And when failure happens, depending
 12 on the item, it can be expensive.
 13 And what you're hoping is that you're
 14 projecting far enough, maintaining enough in a way
 15 that you can budget for these items, then you will
 16 have some peaks and valleys to where some year could
 17 be heavier, especially in capital, compared with
 18 other ones.
 19 MEMBER RICCITELLI: Right. But you would
 20 allocate some income towards a balance sheet capital
 21 fund to replenish things that break. There's a cash
 22 flow thing, there's a balance sheet, and there's an
 23 income statement.
 24 I'm just saying that in this case, kind of
 25 those things are mixed together, and I understand

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1 MR. CRIPPS: It's already set up as an
 2 enterprise fund, which is, in essence, the same
 3 thing.
 4 MEMBER SIMON: Okay. I think our first
 5 step is to try and get a calendar year of numbers.
 6 CHAIR TONKING: We're going to get in
 7 periods, yes.
 8 MEMBER SIMON: Well, we need to get
 9 periods and add them up to a year.
 10 CHAIR TONKING: I want to try to avoid
 11 doing that because when we get to the Board setting,
 12 it's going to look like this, and so we need to be
 13 able -- because more people are watching the Board,
 14 we need to be able to refer back to this type of
 15 setting to educate the general public. So I do want
 16 to try to avoid that.
 17 I do think we can get it in periods.
 18 MEMBER RICCITELLI: It just needs to be
 19 more accurate.
 20 CHAIR TONKING: Yeah. And I think one of
 21 things I'm hearing is we need to look at it without
 22 the capital and debt. Is that correct? To look at
 23 it through that lens. Also, our facility fees
 24 should be covering the capital and debt, so that's
 25 the other dialogue we haven't had yet.

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1 why because you're just trying to show what the golf
 2 course costs in a given year. But I'm just saying
 3 if people glance at this, the headline's going to
 4 be, oh, the golf course lost \$766,000, oh my gosh.
 5 Right?
 6 But 700 of that is capital and 183 is debt
 7 service of some sort. Right? A million dollars.
 8 MR. CRIPPS: Yep. And it could be -- and
 9 if you, the people are able to follow the line,
 10 then, yes, when you look at just revenues over
 11 expenses, then you see that number.
 12 But if they're able, then, to formulate
 13 that idea that that's a loss, but then they can look
 14 at the financial statement, they'll actually see the
 15 asset line increased.
 16 MEMBER SIMON: That's not the way it works
 17 in real life, to the general public.
 18 MR. CRIPPS: You're only going to have a
 19 very small population that can follow that trail,
 20 but the trail does exist, and we are booking assets.
 21 MEMBER SIMON: I think the question is:
 22 Is it possible to generate a financial, P and L,
 23 that treats the golf course and the restaurant as a
 24 commercial enterprise accounting, like if I owned
 25 it, I want to know what my profit and loss was?

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1 MEMBER RICCITELLI: I'm just saying it
 2 should look like an income statement where things
 3 that are expensed are expensed and things that are
 4 depreciated are depreciated and allocations that
 5 come from the general district should be shown as
 6 such. Because the headline's going to be: Golf
 7 lost 7-, 800 grand, and we should do something about
 8 it.
 9 That's my take on it with this kind of a
 10 statement.
 11 CHAIR TONKING: I think we need to look at
 12 it -- is there a way to take out capital and debt
 13 and other, like, non-operating? Really, capital and
 14 debt, because that's what the facility fee's
 15 supposed to be covering.
 16 MR. CRIPPS: As far as taking it out, it
 17 is just a series of object codes. I mean, the debt
 18 one is -- that one being in there is a little bit
 19 more superficial, but the capital one, I don't know
 20 that I would remove it completely from the report
 21 because it is an expense that we had in that given
 22 year.
 23 MEMBER RICCITELLI: Sure. I would just
 24 show it as a depreciated expense not the full amount
 25 of the capital. And maybe that's a mix of

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1 depreciation and then expensed items that you
2 couldn't depreciate. I don't know what's in there,
3 but it's the difference between, you know, the
4 bottom being even or little off to being a cash
5 drainer.

6 MR. CRIPPS: Well, but it's still -- the
7 fact of the matter is that that amount of money was
8 still spent, though. That expense did happen.

9 CHAIR TONKING: Adam, in the past what
10 we've done, there's a pricing policy, and in that
11 pricing policy it talks a lot about how capital and
12 debt is covered through the facility fee. That's
13 the idea of that's what the facility fee can be used
14 for. What the Board has had done a lot in the past
15 is break out both that facility fee, which it's its
16 own item right now so it looks good, so breaking out
17 that facility fee then also breaking out that
18 capital and debt piece.

19 Is that something where we can just have
20 it, and then just have it look a little separate? I
21 think it would be easier for everyone to understand
22 it.

23 MR. CRIPPS: I think a separation would
24 probably be best for all of us at that so that way
25 we can isolate the components of it. You have an

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1 IVGID.

2 MR. CRIPPS: That's correct. It's not
3 just specific to golf, the amount, but that line
4 does --

5 MEMBER SWENSON: Is it allocated on head
6 count or something else?

7 MR. CRIPPS: There are a few metrics it's
8 allocated based off of. Head count is one of them.

9 MEMBER SWENSON: What are the other ones?

10 MR. CRIPPS: The accounting budget is one
11 of them, the HR budget is another one, and the
12 full-time staff by department and by fund.

13 MEMBER RICCITELLI: So if you didn't have
14 golf, then the allocations for other people would be
15 higher.

16 CHAIR TONKING: Yes.

17 MR. CRIPPS: If we had the same amount of
18 staff. If they maintained their levels of staff and
19 theirs would not be higher, no. If public works,
20 nothing changed, the only change was we just didn't
21 have golf, Public Works' allocation would not
22 increase.

23 MEMBER RICCITELLI: Wouldn't the
24 allocation per head count go up if there was less
25 head count and the spending was -- central services

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1 item covering these other items, then how about we
2 group those, that way we can see whether it was a
3 meaningful enough amount that -- did we allocate
4 enough facility fee that year to cover what those
5 expenses were.

6 MS. FEORE: Or did we not need to, yes,
7 because there's a surplus in our -- or if there was
8 a profit loss. Yes, I think that would be very
9 helpful. The lense, too, is trying to figure out
10 what are the operating -- what are the costs that
11 also need to be covered. That would be really
12 helpful, and maybe it'll be a little cleaner for
13 others to look at as well.

14 Any other questions?

15 MEMBER SWENSON: What are central services
16 cost allocation? I'm scratching my head on that one
17 because it's GNAs, you got basically full-burden
18 salaries already. What is that?

19 MR. CRIPPS: It's going to be very similar
20 to the fleet services and building services that
21 interim GM was talking about. That's actually for
22 the accounting and HR functions of the District that
23 they're providing for golf.

24 MEMBER SIMON: It's a central cost
25 allocated back to all the different divisions and

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1 didn't change?

2 CHAIR TONKING: Yeah. But where does that
3 go, to our general fund?

4 MR. CRIPPS: It goes to the general fund,
5 yes. But what it's really doing, if we're looking
6 at a total head count, added Public Works and golf,
7 you have more head count, and it's going to be
8 allocated between the two different departments and
9 the two different funds.

10 So sans one of those funds, then the other
11 one isn't going to have a heavier burden because
12 they're not receiving more benefits from finance or
13 HR or from the general --

14 CHAIR TONKING: So, the general fund
15 increases?

16 MR. CRIPPS: Correct.

17 CHAIR TONKING: Okay. It goes somewhere,
18 there's a counter to it, it's not just -- if golf
19 left, somebody bears the cost somewhere?

20 MR. CRIPPS: Correct. The general fund
21 would -- because they're general fund departments,
22 so they would maintain the cost there. Yeah, the
23 allocation wouldn't be divvied out at a higher rate
24 to other departments.

25 MEMBER RICCITELLI: It would go somewhere.

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1 MR. CRIPPS: Yeah. Just the general fund
 2 would not recoup that money is what would happen.
 3 MEMBER SWENSON: What would you do? I'm
 4 trying to wrap my head around this. And I thank Bob
 5 for that other thing that I really didn't look at on
 6 lack of depreciation.
 7 If it was just that pure-head-count thing,
 8 I could understand it. If it's something else, then
 9 it's a magic number, and I am just trying to figure
 10 out what makes up that magic number if it's not head
 11 count?
 12 CHAIR TONKING: I think Adam was saying
 13 that it's head count and then it's the amount of
 14 services that are offered to each of the funds, so
 15 like how much financial service --
 16 MR. CRIPPS: I'll help you out with that.
 17 I don't have the entire thing memorized, but there
 18 is a board policy on the cost allocation. Part of
 19 it is head count, and that's going to be by fund,
 20 whereas the other components of it are going to be
 21 the budget for finance, the budget for HR, as well
 22 as some IT components as well put in there.
 23 MEMBER RICCITELLI: I understand that.
 24 But if you didn't have golf, how much would those
 25 other ones really go down? Not that much.

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1 it through this, we've got to go back. In my mind,
 2 I just have to go to Darren's work and look at
 3 revenues only.
 4 CHAIR TONKING: Yeah. So, here's what I'm
 5 thinking we're going to do going forward on all
 6 these data points, this is what I have in my notes.
 7 I have utilization, you all should have
 8 the updated Excel spreadsheets and any other data
 9 and tables that want to be pulled out of that.
 10 We're going to get those included in our committee
 11 meeting packet.
 12 In terms of financials, I'm going to have
 13 it broken out into periods, unless it's easier to
 14 break it out monthly, broken out into periods so
 15 that we can actually do an apples-to-apples
 16 comparison of each of those lines, obviously no
 17 budget, and knowing that that is the specific period
 18 we're looking at so we can understand the cost, not
 19 understand the aggregate. And then looking at
 20 breaking out debt service and facility along with
 21 that facility fee revenue.
 22 I think those are the direction I was
 23 hearing. Is that correct? Am I missing something?
 24 MR. BANDELIN: Little bit off topic, but I
 25 had a question for Mr. Bruce. If Rob could tell the

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1 I'm trying to understand if you took
 2 another path on golf and you outsource the whole
 3 thing to somebody else, what is the impact of that
 4 on the other parts of IVGID that you would still
 5 keep because that would have to go into that
 6 calculation?
 7 That's why I'm trying to understand it.
 8 CHAIR TONKING: In this case, unless we
 9 increased head count in other places across the
 10 District, it would then end up going into our
 11 general fund, and our general fund would bear that
 12 burden. It's a fixed cost that wouldn't go away.
 13 It's not variable. Yeah, it's a fixed cost unless
 14 they were to change their structure.
 15 Heidi, can you make sure that we get
 16 everyone a copy for the next meeting of the board
 17 policy on allocation?
 18 MS. WHITE: Yes. Absolutely.
 19 CHAIR TONKING: Any other questions on
 20 these financials?
 21 MEMBER SIMON: I'm only going to
 22 conclude -- and I think Todd put it best -- if we
 23 don't have a meaningful financial statement, it's
 24 pretty hard to tell whether the policies adopted
 25 were good or bad. And if it's not -- if we can't do

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1 committee what would be a drop-dead date that you
 2 would need the Board of Trustees to approve the
 3 pricing for the upcoming season?
 4 MR. BRUCE: Absolutely. Every other golf
 5 course in the area has it done by January 1. They
 6 have their tee sheet open January 1. They can take
 7 tournaments, tournament pricing, take tee times.
 8 And here in Incline, it's been February, March,
 9 last year was almost May.
 10 But, yeah, the earlier the better because
 11 we can get things going and start filling up the tee
 12 sheet and making revenue.
 13 MR. BANDELIN: Could you be a little more
 14 precise on where we're at right now, February 22nd
 15 looking forward?
 16 CHAIR TONKING: I might be able to answer
 17 this, yes. We scheduled a special meeting to be the
 18 first week in March, the committee did, and that way
 19 we can have all this, hopefully, new data requests
 20 so that they can then make some ideas and see if
 21 there's anything else missing.
 22 Then we have another meeting that next
 23 week as well, and at that point can be giving
 24 recommendations to be giving to the Board.
 25 I have thought about timeline a little. I

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1 know it's not as fast as we want to go out to get
 2 some up-to-date financials, but I'm hoping with that
 3 extra meeting scheduled in that will have solved
 4 some of the timeline issues.

5 MR. BRUCE: Did you get my report that I
 6 sent to you about suggestions for rates for 2024?

7 CHAIR TONKING: I did. And I think that
 8 will be a perfect thing to include either in our
 9 meeting the first week of March, is what I'm
 10 guessing, to discuss as another discussion point.
 11 It may not get fully discussed at that point,
 12 depending how well the new information is for all of
 13 us, but it will be a good starting point for
 14 discussion. We didn't include it in this packet
 15 because we needed some base lining, but, yes.

16 Can you make sure you send that to Heidi
 17 before Thursday of next week to make sure that we
 18 have it all in there?

19 Then any other data that you all want
 20 included, ideally Thursday, but you can technically
 21 give it to us up until the day. The more time
 22 people have to review, the better. The agenda just
 23 has to be posted three days in advance.

24 Then, Adam, your financial data, I'm
 25 hoping around Thursday of next week. If that's too

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1 tight, I believe we have until that Monday.

2 Correct, Heidi?

3 MS. WHITE: You do have up until Monday,
 4 but I would prefer, as always, to post the Friday
 5 previous. And the reason being is that I do not
 6 have control over the campaign within Constant
 7 Contact and sometimes they have glitches. I would
 8 not want to fall behind being on an OML.

9 CHAIR TONKING: I'll make sure that we
 10 have the agenda item and the agenda posted by then.
 11 Then we'll get materials as soon as possible to
 12 everyone so they can start reviewing.

13 Does that work for everyone in terms of
 14 timing? Any other concerns on this item? Any data
 15 that's missing or anything else that you need on
 16 this item?

17 I think that closes then item F 2.

18 G. LONG RANGE CALENDAR

19 CHAIR TONKING: Long range calendar, which
 20 I just talked about. In terms of long range
 21 calendar, we're going to have a meeting the first
 22 week. It's the first Thursday of March, the 7th.
 23 We'll have a meeting that day, same time, Zoom.

24 And then we will have all that updated
 25 data we just spoke about at the meeting. And the

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1 only agenda item on it -- well, two agenda items.
 2 There will be the policy and then this board
 3 discussion workshoping that we did today.

4 Anything else that people want on the long
 5 range in next meetings that I need to figure out?

6 MR. BRUCE: Just something the Golf
 7 Committee might want to bring to the Board, and it's
 8 just a question about as far as getting budget done
 9 properly, the directive of the Board, are we here
 10 for service or are we here for profit? That would
 11 be a good question on how we're going to go forward
 12 with out budgeting.

13 CHAIR TONKING: Great question that I
 14 think we should all discuss too as part of our
 15 financial conversation.

16 MEMBER SIMON: Should some of that come
 17 from the Board?

18 CHAIR TONKING: I think it should. We
 19 will be having a budget workshop the day before you
 20 all meet -- or we all meet. So, I will try to
 21 initiate some of that conversation, and so then we
 22 can give some more guidance and findings from what
 23 we talked about the night before.

24 Anything else?

25 MEMBER SIMON: I want to follow up on

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1 those golf rates.

2 Rob, Old Greenwood and Gray's, those are
 3 unchanged or we don't have their new rates?

4 MR. BRUCE: I went off the sheet that you
 5 sent me, which was, I believe, populated by Nick
 6 last season, and those are the rates he had for
 7 2023. It looks like the 2024 is going to be the
 8 same for Old Greenwood, Gray's, and Edgewood.

9 MEMBER SIMON: Which is very interesting
 10 because they haven't raised their prices, all three
 11 of them.

12 MR. BRUCE: Correct. Yeah, from '23 to
 13 '24, they are staying the same rate.

14 CHAIR TONKING: That's a good comment to
 15 know.

16 Anything else that anyone needs?
 17 That closes item G.

18 H. FINAL PUBLIC COMMENTS

19 MR. DOBLER: Cliff Dobler. I think you
 20 cut me out about 30 seconds on the last opening
 21 public comments, so I wasn't able to get through it
 22 all.

23 I listened to the machinations that were
 24 going on with the revenues and expenses from this
 25 work -- this general ledger printout that was done.

