

MEMORANDUM

TO: Audit Committee

FROM: Ray Tulloch
Audit Committee Chair

SUBJECT: Update to Audit Committee on work products provided to the Board

DATE: August 10, 2021

I. BACKGROUND

At the Audit Committee meeting of July13, 2021, the Audit Committee reviewed, discussed and approved final versions of (i) Whistleblower Policy for Financial matters and (ii) Annual Report from the Audit Committee to the Board

II. ACTIONS

As agreed by the Audit Committee final versions of (i) Whistleblower Policy for Financial matters and (ii) Annual Report from the Audit Committee to the Board have been forwarded to the Board for consideration. Copies of these documents are attached.

Attachments:
Final Whistleblower Policy
AC Annual report to the Board memo
Exhibit A
Exhibit B

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT WHISTLEBLOWER PROCEDURE

General

The Incline Village General Improvement District (IVGID) expects its employees, Trustees, and volunteers to observe high standards of business and professional ethics in the conduct of their duties and responsibilities. Employees and representatives of IVGID must practice honesty and integrity in fulfilling their responsibilities and comply with all IVGID Policies, Practices, Resolutions and Ordinances and other applicable laws and regulations. Moreover, IVGID is committed to transparency and fostering a “speak up” culture. This Whistleblower Procedure implements Board of Trustees Policy 15.1.0(2.8).

In addition, IVGID encourages its employees, volunteers, other stakeholders of the District, and the public to share their questions, concerns, suggestions, or complaints with their supervisor, Venue Manager, Trustees, General Manager, or the Audit Committee Chair.

The Whistleblower Procedure includes the following:

- The methods for submission of suspected Misconduct may be reported by employees, Trustees, volunteers, other stakeholders of the District, and the public on a confidential and anonymous basis to the extent permitted by applicable law.
- The process to be followed when a submission of concern is received.
- The receipt, retention, and treatment of suspected Misconduct submissions received by the Audit Committee regarding IVGID Policies, Practices, Resolutions, Ordinances and other applicable laws and regulations. The protection of employees, Trustees, volunteers, other stakeholders of the District, and the public reporting concerns from retaliatory actions.

Reporting

It is the responsibility of all employees, Trustees, and volunteers to report Misconduct and/or reasonable suspicions of Misconduct in accordance with this Whistleblower Procedure. Other stakeholders of the District and the public may also report Misconduct in accordance with this Whistleblower Procedure.

“Misconduct” means (a) questionable or improper accounting or auditing matters, (b) violations and suspected violations of federal, state, local laws, and (c) violations and suspected violations of IVGID Ordinances, Policies, Practices and Resolutions. “Misconduct” does not include minor, immaterial matters or routine workplace complaints or disciplinary matters which shall be processed under applicable Human Resources policies and/or applicable Memorandum of Understanding.

Proposed July 13, 2021

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT WHISTLEBLOWER PROCEDURE

Trustees, employees and volunteers have the following options for reporting concerns that involve Misconduct and/or or reasonable suspicions of Misconduct:

- A. Discuss any suspected Misconduct with their **immediate supervisor**.
- B. Report the suspected Misconduct to the **Director of Human Resources**.
 - a. If the Misconduct was reported verbally to the Director of Human Resources, the reporting individual, with assistance from the Director of Human Resources, shall reduce the Misconduct to writing.
- C. Report the suspected Misconduct to the **Chair of the Board of Trustees**.
 - a. Should the suspected Misconduct implicate one or both of the General Manager or the Chair of the Audit Committee, this is the recommended reporting option.
- D. Report the suspected Misconduct to the **Chair of the Audit Committee**.
- E. Report the suspected Misconduct to any other **Trustee**. It is recommended that if a Trustee receives a report it is copied to the Chair of the Audit Committee – unless the Chair of the Audit Committee is implicated - to be investigated in accordance with the procedure described in the section **Receipt, Retention, and Treatment – Role of the Audit Committee Chair**.
- F. Submit concerns of suspected Misconduct anonymously using the IVGID website. Such submittals will automatically be routed to the Audit Committee Chair with a copy to the General Counsel.

The public may also submit suspected Misconduct and/or or reasonable suspicions of Misconduct to:

- A. The Audit Committee Chair by email at AuditCommittee@ivgid.org.
- B. Anonymously using the IVGID website. All anonymous allegations of Misconduct will be sent directly to the Chair of the Audit Committee with a copy to the General Counsel.
- C. Mail to 893 Southwood Blvd. to the attention of the Audit Committee Chair, Strictly Confidential – Addressee only, Incline Village NV 89451

Upon receipt of suspected Misconduct, the receiving party shall take swift action which shall include investigating or referring it to Human Resources if it is not subject to this procedure. Investigations may include an independent third party reviewer, the Human Resources department and/or legal counsel, as applicable.

No Retaliation

This Whistleblower Policy is intended to encourage and enable Trustees, volunteers, stakeholders of the District, the public and employees to report Misconduct and/or reasonable suspicions of Misconduct within IVGID for investigation and appropriate action. With this goal in mind, no Trustee, volunteer, member of the public, employee or other stakeholder of the District who, in good

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT WHISTLEBLOWER PROCEDURE

faith, reports Misconduct shall be subject to retaliation, harassment or public disclosure except to the extent required by applicable law or, in the case of an employee, adverse employment consequences. Moreover, any volunteer, Trustee or employee who retaliates, directly or indirectly, in violation of this procedure, against someone who has reported Misconduct and/or or reasonable suspicions of Misconduct in good faith is subject to discipline up to and including removal from the volunteer position, or termination of employment, or being censured as a Trustee.

Acting in Good Faith

Anyone raising concerns of Misconduct and/or reasonable suspicions of Misconduct must be acting in good faith and have reasonable cause for believing the information disclosed indicates Misconduct. Any allegations that prove to be made maliciously or knowingly false will be viewed as a serious disciplinary offense. For employees, this may result in termination. "Good faith" does not mean that the reporting person must be positive that their report is correct, but rather that the person is providing all of the information they have and that they believe it to be true at the time of reporting.

Confidentiality

To the extent permitted by applicable law, reports of Misconduct or suspected Misconduct will be kept confidential on a "need-to-know" basis, consistent with the need to conduct an adequate investigation. To the extent permitted by applicable law, the party leading the investigation shall make every reasonable effort to ensure the identity of the reporter is not disclosed if such reporter wishes to remain confidential. If an internal investigation could materially increase the risk of confidentiality being compromised, the use of an independent third party to conduct the investigation is recommended. Improper or unauthorized disclosure of reports of Misconduct or resulting investigations will be viewed as a serious offense and will result in applicable disciplinary procedures being followed, up to and including termination of employment if provided under such procedures.

Receipt, Retention, and Treatment – Role of the Audit Committee Chair

The Audit Committee Chair will track and provide quarterly reports on the following statistics:

1. The number of reported concerns regarding Misconduct received through the IVGID website or direct reporting to the Audit Committee Chair, or passed to the Audit Committee Chair for investigation by another party receiving a report.
2. The average time to resolve or respond to those concerns.
3. The number of repeated concerns regarding Misconduct submitted.

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT WHISTLEBLOWER PROCEDURE

The Audit Committee Chair will review all concerns under the whistleblower procedure s/he receives. The following are potential, but not exclusive, options of action for the Audit Committee Chair which shall be determined in consultation with General Counsel, unless the Counsel is implicated in which case the Chair shall consult with the Chair of Board of Trustees:

1. Delegate the investigation to the General Manager when the submission is outside the Audit Committee responsibilities as defined in Board Policy 15.1.0, Section 2.0.
2. Engage an external independent resource to investigate and provide recommended corrective actions.
3. Delegate the investigation to the General Manager or General Counsel.

If a concern under the whistleblower procedure is delegated to the General Manager, s/he is expected to take immediate action while keeping the Audit Committee Chair informed of the status of the investigation and corrective action taken. To ignore a concern under the whistleblower procedure will result in action pursuant to applicable disciplinary procedures, up to and including termination for inaction. The Audit Committee Chair shall retain ultimate responsibility to ensure that allegations of Misconduct under the whistleblower procedure are investigated and resolved in a timely fashion. The Audit Committee Chair has the authority to take additional action as s/he deems appropriate should s/he deem the investigation and corrective action is not being dealt with in a timely manner.

Receipt, Retention, and Reporting – Role of the General Manager

The General Manager will track and provide quarterly reports to the Audit Committee chair on the following statistics:

1. The number of reported concerns under the whistleblower procedure regarding Misconduct received through direct reporting to the General Manager or Human Resources Director, or passed to the General Manager for investigation by another party receiving a report.
2. The average time to resolve or respond to those concerns.
3. The number of repeated concerns regarding Misconduct submitted.

M E M O R A N D U M

TO: Board of Trustees

FROM: Ray Tulloch
Audit Committee Chair

SUBJECT: Annual Report to Board of Trustees from Audit Committee

DATE: July 30, 2021

I. BACKGROUND

Under Board Policy 15.1.2.9 the Audit Committee is to submit an annual report to the Board of Trustees assessing the results of its fulfillment of its duties and responsibilities.

At the Audit Committee meeting on July 13, 2021, the Audit Committee reviewed a draft of Audit Committee actions during the previous year and also discussed and reviewed Audit committee compliance with, and completion of, a checklist of delegated responsibilities for the Audit Committee as specified in Board policy 15.1.0.

II. Actions

Based on discussions and review the Audit Committee members prepared the attached Exhibits A&B for the consideration of the Board as requested by Chair Callicrate at the Board meeting of July 13.

As the Board will see from Exhibit A, the audit Committee has had a high success rate in meeting its responsibilities. The review process also helped the committee identify some of the responsibilities that were no longer applicable and which the committee will incorporate in their scheduled review of Board Policy 15.1.0.

Exhibit B provides details of the meetings of the Audit Committee during the year and the topics covered. This involved a total of 14 meetings and with a duration of over 40 hours

It is the Committee's view that, for a first year of operation under the revised policy 15.1.0, this represents a successful record which has also provided the community with additional transparency on financial aspects of the District's operations.

The Committee will be happy to discuss further with the Board.

EXHIBIT A

July 30, 2021

Audit Committee annual Report to Board of Trustee assessing the results of its fulfillment of its duties and responsibilities required by Policy 15.1.2.9

2.0	Responsibilities	
2.1	Be independent, effectively communicate, and reinforce accountability	Accomplished
2.2	External independent audit procurement process	
2.2.1	Request for Proposal RFP	Completed
2.2.2	Select Auditor	Completed
2.3	Recommend to the Board of Trustees an external auditor	
2.3.1	Recommendations on scope of work and funds to be audited	Completed
2.3.2	Identify and recommend additional services	No recommendation at this time
2.3.3	Board action to designate auditor	Board Responsibility
2.3.4	Replace auditor when appropriate	Completed
2.3.5	Approve scope of work and audit plan by June of each year	Completed
2.4	Facilitate the external audit process	
2.4.1	Review and approve formal reports submitted to external auditor	Unable - not provided to AC
2.4.2	Provide an independent forum for auditors to report findings or difficulties	Accomplished
2.4.3	Review the Auditors' report of findings and recommendations with management and the auditor	Completed
2.4.4	Review the 2020 CAFR	Accomplished, minimal time available due to delayed submission
2.4.5	Follow -up on any corrective action identified	Completed
2.4.6	Submit an annual Report of the Board of Trustees of the Audit	Completed
2.4.7	Assess the performance of the independent auditors	Completed
2.5	Review financial statements quarterly and annually for fair and accurate reporting	N/A Quarterly reports are submitted directly to the Board
2.5.1	Review change in accounting policy	Accomplished via Moss Adams Report
2.5.2	Ensure accounting policies are followed	No authority
2.5.3	Review any off-balance sheet financing	No off-balance sheet financing identified
2.6	Review the framework of internal controls - ensuring management establishes, implements and reviews internal controls on a regular basis for functionality and effectiveness.	Work in progress
2.6.1	Review the annual internal control audit plan	Not provided
2.6.2	Review managements annual assessment of their internal controls for prior year's audit plan.	Not provided
2.6.3	Evaluate management's identification of fraud risks, ensure the implementation of anti-fraud measures and that management is setting the tone at the top that fraud will not be acceptable in any form.	Developed Whistle blower procedure
2.6.4	Committee may identify a need to engage an external internal auditor	Under review
2.7	Periodically review the Districts Code of Conduct	Not Done
2.8	Review and refine the procedures for the receipt, retention and treatment of complaints	Whistle blower procedure
2.9	Submit annual report to the board of Trustees assessing the results of its fulfillment of its duties	As attached for August 10 meeting
3.0	Meetings	
3.1	Meeting conducted according to state requirements	Accomplished
3.2	Meeting held once per quarter	14 Meetings

3.3	Review correspondence to determine action. If needed assign responsibility to investigate and resolve to the appropriate organizational leader	Accomplished Moss Adams & Management
3.4	Review past correspondence with action outstanding . Ensure responses is taken in a timely manner	No authority
3.5	Committee may Invite members of management	Accomplished
3.6	Committee Chair to establish agenda and provide briefing materials	Accomplished
3.7	Annual meeting to be held with external auditor, General Manager, the Director of Finance, legal counsel and anyone else to review the annual financial statements and the Comprehensive Annual Financial Report and auditors letter of findings	Accomplished

EXHIBIT B

July 30, 2021

History of Audit Committee Meetings for fiscal year ending June 30, 2021

July 29, 2020 (1 hour 34 minutes)

- Acknowledgement of new Audit Committee members
- Review Board Policy 15.1
- Review Members Roles and Responsibilities
- Elected Matthew Dent as Chairman
- Review liaison to Edie Bailly
- documented by Clifford Dobler and Linda Newman POSTPONED
- Verbal Update of Audit by Director of Finance
- Audit Time line 6-8-2020 to 10-30-2020
- Presentation of IVGID System of Internal Controls by Director of Finance - POSTPONED
- Referral of 14 point of errors in 2019 CAFR by Cliff Dobler and Linda Newman - REMOVED

August 19, 2020 (2 hours and 55 minutes)

- Long Range Calendar
- Nominated Matt Dent as liaison with Eddie Bailly
- Presentation by Director of Finance on IVGID System of Internal Controls
- Director of Finance response to 14 points of errors in 2019 CAFR submitted by citizens Dobler and Newman
- Legal Counsel Joshua Nelson response to Dillion's Rule relating to Donations and Employee Benefits

September 1, 2020 (1 hour 51 minutes)

- Long Range Calendar - Concern about obtaining information from management
- Engagement of Moss Adams to report on four issues regarding accounting and reporting
- Discussion with Josh Nelson on Dillion's rule applying to donations and employee expenditures - Nelson to provide a written opinion.
- Discuss citizens communication of improper use of Ad Valorem Taxes - Josh Nelson researched and found use was proper

September 30, 2020 (1 hour 51 minutes)

- Director of Finance VERBAL update on 2019/2020 CAFR

- Discussion of Timeline for an RFP for an Independent Auditor for fiscal year 2020/2021 - At large members Dobler and Aaron to draft RFP - Staff on vacation.
- Review Whistleblower procedure for financial matters - requested by Indra Winquest (POSTPONED)
- Review of legal Opinion by Josh Nelson regarding application of Dillion's Rule relating to Donations, Community Programming and Employee expenditures. (POSTPONED)

October 27, 2020 (2 hours 42 minutes)

- Director of Finance VERBAL update on Internal Controls
- Approve RFP for Independent Auditor for fiscal year 2020/2021
- Review and provide feedback on 2019 MD&A, Transmittal Letter, Welcome Letter
- Long Range Calendar

November 19, 2020 (5 hours 55 minutes)

- Discussion of MATERIALITY with Tiffany Williamson, representative of Eide Bailey
- Reviewed and discussed DRAFT Basic Financial Statements and Supplemental Schedules
- Reviewed status of Moss Adams report on accounting and reporting matters
- Extension Request to the Department of Taxation to file the CAFR
- Update on RFP for new external auditor
- Director of Finance VERBAL update on System of Internal Controls
- Timeline and next steps of moving Community Services and Beach activities to Enterprise accounting and reporting.
- Receipt of Legal Opinion from Josh Nelson on applicability of Dillon's Rule

December 19, 2020 (2 hours 47 minutes)

- Review and discuss Draft Moss Adams Report on five accounting issues presented by Jim Lanzarotta representative of Moss Adams -
- Expand scope of work to cover the remaining 16 points of potential erroneous accounting and reporting

January 20, 2021 (1 hour 48 minutes)

- Director of Finance Presentation of "Final 2019/2020 CAFR" - Was to be revised
- Acknowledge receipt of letter from Department of Taxation on Notice to Appear for hearing on January 28, 2021 - Transition to Enterprise fund accounting for Community Services and Beach activities

January 27, 2021 (5 hours 10 minutes)

- Presentation of Final 2019/2020 CAFR by Director of Finance and Tiffany Williamson of Edie Bailly
- Whistleblower Procedure for Financial Matters - Discussion only
- Director of Finance - VERBAL update on Internal Controls
- Director of Finance update on Chart of Accounts
- Director of Finance update on new External Auditor contract

February 10, 2021 (1 hour 50 minutes)

- Recommended Davis Farr LLC as new independent auditing firm for fiscal 2020/2021
- Accepted the Moss Adams report on accounting and reporting treatments and an additional spreadsheet of other questions and clarifications.
- Accepted the written annual Audit Committee report to the Board of Trustees as required by Board Policy 15.1.0 2.4.6 and agreed to forward the report to the Board of Trustees with recommendation that the 2019/2020 CAFR Transmittal letter be modified to identify ALL of the concerns and issues brought forth in the report. Opposition by Dobler on recommendation to Board of Trustees

March 11, 2021 (6 hours 24 minutes)

- Extensive review and debate on Whistleblower procedures - No action taken
- Extensive review and debate on moving forward on the Internal control procedures - Obtained 375 pages of documents assumed to be the existing internal controls
- Discussion on a new chart of accounts - No consensus on how the accounts should be established
- Review of five items 1. prior year auditor, items of correction, deliverables, timeline for 2020/2021 audit and Policy 15.1.0 - Agenda item was not clearly defined.
- Compliance with Dillon' Rule - Review of Nelsons opinion on Employees Benefits - Committee made affirmative motion to recommend to Board of Trustees to engage a law firm to create specific policies and practices addressing employee benefits
- Compliance with Dillon's Rule - Review of Nelson's opinion on leasing property to Non Profits - Committee made affirmative motion to recommend to Board of Trustees to price all leases of venue property at market rates and for non profits to cover full operating expenses less 10%
- Compliance with Dillion's rule - Providing community programming - not covered by Nelson's opinion and needs to come back at a future time.
- Correspondence - Dobler on Effluent Pipeline meters and equipment - Chairman decided to put on long range calendar
- Correspondence - Dobler and Newman e mail about failure to include correspondence in Audit committee packet. No resolution but to resubmit.

- Correspondence - Dobler and Newman - E mail and report to Moss Adams James C. Lanzarotta regarding punch cards. Moss Adams report issued - dead.
- Correspondence - Dobler regarding WRRF Aeration Systems Improvements - proper carryover into 2021 - corrected by Staff
- Correspondence - Dobler regarding IT Infrastructure cost overruns failure to abide by Board Policy. Winquest to meet with Dobler - Never done.
- Correspondence - Katz - Whistleblower retaliatory issue - Resolved by changes to draft documents.
- Long Range Calendar

April 29, 2021 (1 hour 56 minutes)

- Reviewed and Discussed Engagement letter with Davis Farr LLC representative Jennifer Farr - No action taken
- Reviewed and Discussed the Nevada Revised Statutes that relate to the annual audit. NRS statute 354.486 states the Audit must "***Evaluate internal controls over financial reporting of the handling of the public money and public property***" but Engagement Letter states Davis Farr will only review. Chairman Dent held over for further review.
- Review, discuss and possibly approve Whistleblower Procedure. Approval of document with changes was not approved and failed on a 2 to 2 vote.
- Review and discuss and possibly take action on funding Parks through the General Fund. Deferred

June 9, 2021 (1 hour 44 minutes)

- Approved Davis Farr LLC Audit Schedule/Work Plan
- Request by Cliff Dobler to have new external auditor review 8 items regarding accounting and financial statement reporting which IVGID management does not agree with reports from citizens and Moss Adams analysis wherein most items are not in compliance with GAAP or are materially misrepresented. Future agenda item
- No progress on overpayments to Contractors
- Determined No policy or internal controls on administering grants
- Agenda item to make a recommendation to Trustees to Expense certain costs on recent projects which had been capitalized - Was not addressed lack of time.
- Seven communications from Cliff Dobler - Was not addressed - lack of time
- Long range calendar
- Resignation of Matt Dent as Chairman and Committee Member

June 19, 2021 (2 hours 36 minutes)

- Elected Ray Tulloch as new Chairman of Audit Committee
- Agreed to modify Policy 15.1 to allow an additional at Large Member (Chris Holet) to fill vacancy of a second Trustee on the Committee since 4 Trustees

declined to accept appointment. Agreed to submit several suggested changes in other sections of the Policy at another future meeting

- Reviewed and made changes to Whistleblower Procedure and agreed to attempt an approval of the final version at the July 13, 2021 Audit Committee Meeting.

EXHIBIT A

July 26, 2021

Audit Committee annual Report to Board of Trustee assessing the results of its fulfillment of its duties and responsibilities required by Policy 15.1.2.9

2.0 Responsibilities

2.1 Be independent, effectively communicate, and reinforce accountability	Accomplished
2.2 External independent audit procurement process	
2.2.1 - Request for Proposal RFP	Completed
2.2.2 - Select Auditor	Completed
2.3 Recommend to the Board of Trustees an external auditor	
2.3.1 - Recommendations on scope of work and funds to be audited	Completed
2.3.2 - Identify and recommend additional services	No recommendation at this time
2.3.3 - Board action to designate auditor	Board Responsibility
2.3.4 Replace auditor when appropriate	Completed
2.3.5 - Approve scope of work and audit plan by June of each year	Completed
2.4 Facilitate the external audit process	
2.4.1 - Review and approve formal reports submitted to external auditor	Unable - not provided to AC
2.4.2 - Provide an independent forum for auditors to report findings or difficulties	Accomplished
2.4.3 - Review the Auditors' report of findings and recommendations with management and the auditor	
2.4.4 - Review the 2020 CAFR	Accomplished, minimal time available due to delayed
2.4.5 - Follow -up on any corrective action identified	Completed
2.4.6 - Submit an annual Report of the Board of Trustees of the Audit	Completed
2.4.7 - Assess the performance of the independent auditors	Completed
2.5 Review financial statements quarterly and annually for fair and accurate reporting	Did not do quarterly as quarterly reports are submitted directly to Board

2.5.1 Review change in accounting policy	Accomplished via Moss Adams Report
2.5.2 Ensure accounting policies are followed	No authority
2.5.3 - Review any off-balance sheet financing	No off-balance sheet financing identified
2.6 Review the framework of internal controls - ensuring management establishes, implements and reviews internal controls on a regular basis for functionality and effectiveness.	Work in Process
2.6.1 - Review the annual internal control audit plan	None provided
2.6.2 - Review managements annual assessment of their internal controls for prior year's audit plan.	Not provided
2.6.3 - Evaluate management's identification of fraud risks, ensure the implementation of anti-fraud measures and that management is setting the tone at the top that fraud will not be acceptable in any form.	Developed Whistle blower Procedure
2.6.4 - Committee may identify a need to engage an external internal auditor	In progress
2.7 - Periodically review the Districts Code of Conduct	Not done
2.8 - Review and refine the procedures for the receipt, retention and treatment of complaints	Whistle blower
2.9 - Submit annual report to the board of Trustees assessing the results of its fulfillment of its duties	Will be submitted on August 10, 2021

3.0 Meetings

3.1 - Meeting conducted according to state requirements	Accomplished
3.2 - Meeting held once per quarter	14 meetings
3.3 - Review correspondence to determine action. If needed assign responsibility to investigate and resolve to the appropriate organizational leader	Accomplished Moss Adams & Management
3.4 - Review past correspondence with action outstanding . Ensure responses is taken in a timely manner	No authority
3.5 - Committee may Invite members of management	Accomplished
3.6 - Committee Chair establish agenda and provide briefing materials	Accomplished
3.7 - Annual meeting to be held with external auditor, General Manager, the Director of Finance, legal counsel and anyone else to review the annual financial statements and the Comprehensive Annual Financial Report and auditors letter of findings	Accomplished

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August 19, 2020 (2 hours and 55 minutes)

- Long Range Calendar
- Nominated Matt Dent as liaison with Eddie Bailly
- Presentation by Director of Finance on IVGID System of Internal Controls
- Director of Finance response to 14 points of errors in 2019 CAFR submitted by citizens Dobler and Newman
- Legal Counsel Joshua Nelson response to Dillion's Rule relating to Donations and Employee Benefits

September 1, 2020 (1 hour 51 minutes)

- Long Range Calendar - Concern about obtaining information from management

- Engagement of Moss Adams to report on four issues regarding accounting and reporting
- Discussion with Josh Nelson on Dillion's rule applying to donations and employee expenditures - Nelson to provide a written opinion.
- Discuss citizens communication of improper use of Ad Valorem Taxes - Josh Nelson researched and found use was proper

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- Director of Finance - VERBAL update on Internal Controls
- Director of Finance update on Chart of Accounts
- Director of Finance update on new External Auditor contract

February 10, 2021 (1 hour 50 minutes)

- Recommended DavisFarr LLC as new independent auditing firm for fiscal 2020/2021

- Accepted the Moss Adams report on accounting and reporting treatments and an additional spreadsheet of other questions and clarifications.
- Accepted the written annual Audit Committee report to the Board of Trustees as required by Board Policy 15.1.0 2.4.6 and agreed to forward the report to the Board of Trustees with recommendation that the 2019/2020 CAFR Transmittal letter be modified to identify ALL of the concerns and issues brought forth in the report. Opposition by Dobler on recommendation to Board of Trustees

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- Extensive review and debate on moving forward on the Internal control procedures - Obtained 375 pages of documents assumed to be the existing internal controls
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- Request by Cliff Dobler to have new external auditor review 8 items regarding accounting and financial statement reporting which IVGID management does not agree with reports from citizens and Moss Adams

analysis wherein most items are not in compliance with GAAP or are materially misrepresented. Future agenda item

- No progress on overpayments to Contractors
- Determined No policy or internal controls on administering grants
- Agenda item to make a recommendation to Trustees to Expense certain costs on recent projects which had been capitalized - Was not addressed lack of time.
- Seven communications from Cliff Dobler - Was not addressed - lack of time
- Long range calendar
- Resignation of Matt Dent as Chairman and Committee Member

June 19, 2021 (2 hours 36 minutes)

- Elected Ray Tulloch as new Chairman of Audit Committee
- Agreed to modify Policy 15.1 to allow an additional at Large Member (Chris Holet) to fill vacancy of a second Trustee on the Committee since 4 Trustees declined to accept appointment. Agreed to submit several suggested changes in other sections of the Policy at another future meeting
- Reviewed and made changes to Whistleblower Procedure and agreed to attempt an approval of the final version at the July 13, 2021 Audit Committee Meeting.