

MINUTES

REGULAR MEETING OF JULY 22, 2020 Incline Village General Improvement District

The regular meeting of the Board of Trustees of the Incline Village General Improvement District was called to order by Chairman Tim Callicrate on Tuesday, July 22, 2020 at 6:00 p.m. This meeting was conducted virtually via Zoom.

A. CLOSED SESSION – TIME CERTAIN - 5:00 p.m. to 5:45 p.m.

The Board may consider a motion to enter a Closed Session to consider negotiating strategy pertaining to the Operating Engineers Local Union No. 3 (pursuant to NRS 288.220).

The Board of Trustees entered closed session at 5:02 p.m., they conducted their closed session and, at 5:47 p.m., they exited closed session.

B. PLEDGE OF ALLEGIANCE*

The pledge of allegiance was recited.

C. ROLL CALL OF THE IVGID BOARD OF TRUSTEES*

On roll call, present were Trustees Tim Callicrate, Sara Schmitz, Matthew Dent, and Kendra Wong. Trustee Morris was absent for roll call but did join the meeting at 6:15 p.m.

Also present were District Staff Members Director of Finance Paul Navazio.

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

D. PUBLIC COMMENTS*

Dick Warren said he is trying to understand something; why is it that the Board meeting tonight is going to be focused on financial matters that have not yet been vetted by our Audit Committee? Apparently, there will be a Closed Session for the Board to discuss labor negotiations with Local Union 3, the Operating Engineers. Why hasn't this been first reviewed by the Audit Committee? Obviously, this is a financial transaction, why no input from the Audit Committee? Secondly, who is advising the Board on these labor negotiations? I assume it is some attorney knowledgeable and experienced in labor contract negotiations...please do not tell

me it is Staff advising the Board. That is not the correct answer. Punch Cards, once again a financial matter, Paul Navazio will be pontificating on this issue to the Board, but why has it not yet gone through the Audit Committee? And more importantly, the Five Year Capital Plan and the Debt Management Report, once again, why has the Audit Committee not seen these reports? They are financial in nature; therefore, they need to go to the Audit Committee before being presented to the Board. I understand they might need to be filed in August, but why are we ignoring the Audit Committee? Additionally, my understanding is that the Audit Committee is now comprised of Trustee Matthew Dent as Chair, Trustee Sara Schmitz, and Derrek Aaron, Cliff Dobler & Ray Tulloch as Members-At-Large. Today, is the Audit Committee functioning as a whole with Dent/Schmitz/Aaron/Dobler/Tulloch? If not, why not? This looks to me like a pretty good group of financial folks to get things done, but are they in charge of the Audit Committee? Trustee Matthew Dent, where do you stand on this? For what it is worth, unleash the financial acumen of Aaron/Dobler/Tulloch NOW, not later. These guys are good, give them a chance to cut through the BS of IVGID. Thank you.

Aaron Katz said he will be submitting a series of written statements to be attached to the minutes. Punch cards were originally intended to accomplish nothing more than payment of the guest fees at the beaches once a legitimate guest was determined. Pinkerton and Eick changed this purpose by allowing beach access with punch card to those not entitled and allow a spread of a notion that our Rec Fee represents some value to those who involuntarily pay. This started an accounting nightmare where punch cards could be used in lieu of cash to pay for Mountain Golf Course and Tennis play and season pass yet they couldn't be used for similar purposes at Championship Golf Course and Diamond Peak. Then we had double reporting of revenue, contra revenue, sub-fund transfers, erroneous expenditures and the accounting nightmare that Staff is speaking about right now. We end all of these wrongs by ending the punch cards – pure and simple. Beach access should be by picture pass only unless you are a legitimate guest of somebody who has a picture pass card. The picture pass card should be loaded with some predetermined value for redemption so that legitimate guests of a picture holder don't have to pay for beach access. Staff brags that they don't have to pay general obligation indebtedness with ad valorem taxes but NRS 350.0045 instructs that when you assess ad valorem taxes, general obligation debt is supposed to be paid out of those taxes. If we used ad valorem taxes to pay GO debt hopefully Staff would be forced to reduce overspending in the General Fund and then hopefully we would be able to reduce Central Services transfers from Community Services and Beach funds and that would reduce our rec fees. You also have to change the wording in the report to declare that GO debt is paid not by net revenues but by ad valorem taxes. The five-year capital improvements plan

– he is very disturbed about that. When you look at next year, there is \$8.133 million of CIP scheduled for Community Services and \$2.825 million for beaches, that's nearly \$11 million when we already lose millions of dollars in operating expenses for our facilities; where the money is going to come from. He is concerned because Staff is setting us up for another bond measure.

Cliff Dobler said that the five-year CIP plan presented tonight, he will call the plan, according to the memorandum on agenda packet page 7 claims Staff presented to the Board an update five-year capital plan along with a five-year projection supporting capital improvement project expenditures and the role of debt financing to support planned future projects. He doesn't recall any presentation on how the five-year plan was to be paid for. What we did see were capital projects without funding sources. Board Policy 12.1.9 states "a prudent multi-year capital plan identifies and prioritizes expected needs and detailed estimate amounts of funding from various sources". The plan identifies amount of funding sources from facility fees and charges for services by two upward arrows. How much is each arrow worth? The plan states that the projects in the Community Services capital fund will be drawn from fund balance. Of course, there is no money in that capital fund to be drawn upon. Where are the details of the funding amounts from various sources required by Board policy? The plan states spending \$75.5 million over the next five years and there is nowhere or anywhere where funding for the spending plan has been determined. This is \$14.1 million per year with no funding plan. Incline Beach building a priority project approved by the Board, not in the plan. A new unnecessary Administrative Office Building, it's in the plan. The effluent pipeline and wastewater pond that, in January 2020, the Board was informed via a 287-page presentation that spending over the next five years would be \$15.6 million, the plan \$21.6 million. Meanwhile, the District's 4404LGF budget for Fiscal Year 2021 indicates there will be almost \$7.7 million in excess fund balance over the appropriate levels in the General Fund and the Community Services and Beach Special Revenue Funds. These excess funds have not been committed to anything. The plan however states that these excess fund balances will only be used if needed indicating to him that this Board, by approving this plan tonight, seeks borrowing money rather than using the excess fund balances. Take money from citizens, do not use it, but borrow instead. How about taking some responsibility? Do not accept this plan, do a proper plan, and abide by your own policies.

Margaret Martini said that she loves her punch cards..they serve her purposes well. The main issues relate to the District's improper accounting and reporting of their utilization, the unlawful and undisclosed transfers of our money from the Community Services Fund to the Beach Fund and the administrative policies that

violate Ordinance 7. These are the real issues that this Board needs to address. First, as this Board should be aware, our five picture passes and/or punch cards are prepaid with our annual Rec and Beach Fees. There are no additional revenues received at the venues when we use a picture pass or punch card. To create additional fictitious revenues at any of our recreational and beach venues is fraudulent. Money collected for the Rec Fee can only be used for the operation, capital projects and debt service of the Community Services Fund. You cannot transfer money out of the Community Services Fund to cover the so called "contra revenues" for punch cards used at the beaches. The Beaches are a completely separate Fund. It's that simple and these improper accounting and reporting practices needs to stop. Secondly, there is Ordinance 7. Nothing in Ordinance 7 states the Punch Cards used at the Beaches or the Recreational Venues support a different percentage reduction between the guest and the resident rate. There is no 5% of the value when using the Beaches, or 85% when using the other recreational venues. So who, exactly, made that up? The same is true for the issuance of "guest passes," "day passes," and "exchange passes." You will also not find anything about giving special discounts to the Hyatt for their guests to use any of our Recreational venues – beyond their ability to receive any combination of five picture passes and/or punch cards for each Rec and Beach Fee they pay – just like every other commercial or residential property owner. So, when did the Board approve these constructions and why are they allowed to continue when they violate a Board approved Ordinance? Punch Card Utilization is just another illustration of the District's failure to abide by the law and the District's own Ordinances, Resolutions, Policies and Practices. It also points to the absence of any internal controls that ensure the integrity of our financials and our accounting practices and allows the abusive administrative practices that do not serve the best interests of our property owners and our residents. This Board must exercise leadership and set a new direction for our General Manager and Director of Finance. The destructive legacy of Mr. Pinkerton and Mr. Eick cannot continue to invade the proper management of our District. Both the State Filings and the Punch Card Presentations should have been brought before the newly constituted Audit Committee before it was brought to the Board. Instead, this Committee, established to provide the Board with independent checks and balances and expert financial oversight, was bypassed. When will this Board take charge and exercise the fiduciary and statutory duties to the citizens you took an oath to serve?

Linda Newman said she requests that Staff's Punch Card Presentation be removed from the agenda. It fails to address whether or not the District's accounting and reporting is in compliance with Generally Accepted Accounting Principles and whether the annual transfers from the Community Services Special Revenue Fund to the Beach Special Revenue Fund is lawful. In addition, it also

fails to provide any Board approved policies establishing sales allowances and contra revenues. It also omits any mention of whether or not the District's issuance of "daily passes" and "exchange passes" are in compliance with Ordinance 7 which does not include these unwritten and unapproved administrative issues. It does, however, state that any combination of 5 picture passes and/or punch cards are exchanged for the payment of Rec and Beach Fees. The latter statement clearly invalidates the use of Special Revenue Funds for the Community Services and the Beaches which can only be used for taxes and other imposed non-exchange revenues. Here it is stated that these FEES are paid in exchange for five passes or punch cards of equal value to the FEES being charged. These fees are not only an exchange transaction but are collected to cover the costs of the Community Services and Beach operations, capital projects and debt service. When these costs are recovered by fees and charges for services, GASB 34 Paragraph 67(c) requires that these funds be accounted and reported as Enterprise Funds. Therefore, she requests that Staff provide a presentation that answers these questions and responds to these comments at the next Audit Committee Meeting when all of the new members are seated. That would also be the perfect time for Mr. Navazio to address the other 13 points of concerns in the District's 2019 CAFR. She also requests that the District's review of its current Internal Controls and lack thereof and the implementation of effective written policies be placed on a faster track than General Manager's Winter timeline. Without effective internal controls this Board cannot assure the integrity of the District's financial and accounting information, the effectiveness or efficiency of its operations and has no safeguards against inadvertent errors as well as fraud. As fiduciaries, this is your responsibility and further delay is not an option.

Mike Abel said in reading tonight's board packet, he is struck by what is not on this Board's agenda. Although, he has recently learned that Mr. Katz has filed a Writ with the US Supreme Court and Mr. Beko is filing a response, there is nothing here that notices this fact to the Board. There is no motion for the Board to engage Mr. Beko or appropriate public funds for Mr. Beko's legal fees. There is also no update on the Smith lawsuit notifying the Board that the District Judge has appointed a special master to review 500 of the withheld emails, Mr. Guinasso has asserted to be attorney /client privileged. And, speaking of Mr. Guinasso, although his firm was terminated, when will we stop using and paying him for legal services? And when will he reimburse the District for the legal fees he incurred when he retained Mr. Beko to defend him in the Smith lawsuit? Where is the update on the value we received from Tri-Strategies for the \$6000 we paid them to lobby the legislature during the Special Session? And, what exactly did they represent to the legislature on behalf of our District? Nothing as a matter of fact. This was confirmed by our Assemblywoman Lisa Krasner who had zero contact with these grifters. He has

queried our Senator, Mr. Kiekheffer on this issue (whom I will presume will give me the same answer, but I have yet to hear from him. Why has the General Manager delaying development of internal controls when we have none but do have an upcoming audit that relies upon a comprehensive framework of internal controls to prepare our financial statements? Shouldn't this be a Board priority? There is no follow up on the US Army Corps of Engineers and our Hollywood style Federal lobbyist Marcus Faust on whether or not we will receive any Federal funding for the failing effluent pipeline project. Another great expenditure of lobbying dollars? Besides his awesome promises – he provides another example of stupid waste. With that being said, has the General Manager identified the independent consultants that can provide the right path forward to replace the six miles and line the pond and the best way to fund this vital infrastructure project? How much longer can we wait? The same goes for an independent utility rate and capital reserve study. Our utility fund is underwater and is not being properly managed. As Trustees you must take charge, set priorities, establish best management practices and end the waste, fraudulent use and abuse of our public funds. Now!

Judith Miller said that she believes there is a time and a place for everything but she believes the time for punch cards has come to an end. First, it would certainly simplify accounting and stop the improper transfers from occurring from Community Services to the Beach Fund. Second, it would limit the number of people who can bring guests to the beaches. And third, it would hopefully insure that everyone who gets beach access is actually entitled to have it. We have certainly seen the abuses created by punch cards, exchange passes and daily tickets. The number of visitors to the community and the ease of fraudulently gaining beach access makes this change essential. Everyone she talks to is begging for this change. Even after limiting access to punch cards or picture passes, we still frequently exceed what she likes to call the comfortable carrying capacity at our beaches. Bottom line – we need to do away with punch cards, adopt a standard discount or set resident rates for all venues for picture pass holders only, issue up to five passes per property and additional ones based on family tree for an additional fee just like we do now. The benefits to owners and residents would be clear not convoluted. Whether it is a hotel guest, a renter, or your teenage nephew they must all be accompanied by a picture pass holder. This would also encourage hosted short term rentals where the owner or manager actually lives in the home and it would minimize the kind of annoying and dangerous behavior that has so frequently been associated with STR guests. Timeshares would have to give us a report showing owner's names and weeks of ownership. Their picture passes would only be valid during the weeks listed. Since many owners and residents don't even use punch cards to them this whole scenario is a waste of time and energy. Please put an end to this convoluted accounting for punch cards.

This evening, we are only talking about punch cards but we really need to find out ways to make the facility fees more equitable. Property owners weren't too happy to learn that only hotels were paying only one rec fee per parcel while the least expensive apartments in town pay a full rec fee for every unit. Considering those fees pay for all of our capital costs plus a large part of operating costs, like the capital costs for our sewer and water fees, we need to have different classes of customers with fees that better reflect the demand on and the sizing of our facilities but that is a conversation for another night.

Frank Wright said he is a candidate for the Board. He had a presentation he was going to speak about but that after listening to Mr. Dobler, he was shocked. He is a man who has been appointed to the Audit Committee and listening to his presentation it sounds like he is out in the dark, not informed about what is taking place in our District and not involved in what is happening tonight – what's going on? We seem to have a secret society operating within the walls of IVGID. The Financial Director is operating outside of the Audit Committee, Audit Committee is operating outside of the District, and the Board of Trustees is fractured. Punch cards are now coming up, no one has ever talked about it, no discussion about these punch cards and how they help the citizens. For him, the punch cards are of no value and worthless so why do you have them? They were designed to get people on the beaches now we have overcrowding and now no one wants to use them. Lawsuits – who gave Beko the authorization to go forward, that has come before the Board, why haven't we seen that? Have to have a public meeting and give an explanation to the people who live here. These lawyers keep running up bills. Don't get it at all. Why don't we know about it – could go on for hours for the things he has learned just this week. No restitutions available and no protection for the people who live here.

Yolanda Knaak said she is a 2020 candidate for the Board and in looking at the Board packet, it appears to her that we have a bonded debt of a little over \$4 million, paying over a \$1 million in interest every year and that she may be reading it wrong. She did get a complaint from John Johnson that the preferential tee times are limited to the clubs and he is saying that he is unable to join the clubs. All residents should have equal opportunity to get the preferential tee times or the clubs should allow everyone to join without limits. She is not a golfer and she doesn't know if it is because of COVID-19 but wanted to throw that out there for Mr. Johnson.

E. APPROVAL OF AGENDA (for possible action)

Chairman Callicrate asked for any changes to the agenda. Trustee Schmitz said she would like to have a flexible agenda and bring the long range calendar forward. Chairman Callicrate said okay and that he is making a notation to have a flexible agenda and to move the long range calendar up after the General Manager's update. Trustee Morris said that he just wanted to make it known that he is now present and joined the meeting after public comment. District Clerk Susan Herron said she has noted Trustee Morris' arrival. District General Counsel Alex Velto asked for a motion for a flexible agenda.

Trustee Schmitz made a motion for an adjustable agenda. Trustee Wong seconded the motion. Chairman Callicrate called the question and the motion was passed unanimously.

F. DISTRICT STAFF UPDATE (for discussion only)

F.1. District General Manager Indra Winquest

District General Manager Indra Winquest gave an overview and update to his submitted written report with the following comments being made during his update.

- Chairman Callicrate said that there was a public comment relative to the effluent pipeline and that he hopes that this update will alleviate any fears that individual has and that we aren't doing anything on the effluent pipeline.
- Chairman Callicrate said he wanted to go to the internal controls audit as it shows Winter 2020 and there was a public comment in regard to that and that he knows that you have been working to try and bring that forward and that it is just taking longer than some folks appreciate because we are trying to make certain that we have the appropriate individuals in place.
- Trustee Dent said he didn't have add anything to this but that he was requesting to make an update about the Audit Committee when the District General Manager was finished with his update.

- Director of Finance Navazio said that depending on where we land with the long range calendar, that the internal controls matter is working its way onto next week's Audit Committee agenda as are the concerns raised about the District's Comprehensive Financial Report.
- District General Manager Winquest said that something that is not included in his written report is that he has an update on the tax revolt issue. At yesterday's Washoe County Commissioner's meeting, it was on the agenda for the settlement agreement however that agenda item was pulled off the agenda and it was stated that they are looking to have a special meeting to work through the settlement agreement and that he will keep the Board updated via e-mail as he learns more information and that we should know something more next week.
- District General Manager Winquest said that the Washoe County Health Department has limited gatherings to 25 people and larger gatherings are banned. This will impact our weddings so he is working with the team and redirecting however there will be impacts. This also has an impact on some of our programs. Trustee Schmitz asked if this has any impact on the Recreation Center in any way. District General Manager Winquest said no because we are still requiring reservations to use various areas and that the team is doing so such that we stay in compliance. Typically, you won't find any more than 8 to 10 people in the fitness room or in the pool. You have to have reservations in small groups to use the gymnasium so we don't think it will impact the Recreation Center. However, we are gearing up for, if this continues, returning to Phase 1 and the potential closure of the Recreation Center; we are hoping that this doesn't happen. As mentioned to the Board a while ago, Staff has been required to put together a re-closure plan in case we have to go back to Phase 1. Trustee Morris asked what the volumes are at Burnt Cedar pool and were there any implications there. District General Manager Winquest said that Burnt Center pool is still not open for free swim, we are having Aquasize classes of 25 or less, some small group swimming, and lap swimming is by reservation. There is no impact because we are not open for free swim. We do get a lot of

correspondence about not being open for free swim but it is difficult, if not impossible, to get kids to social distance so we are not comfortable with opening up the pool to free swim. The folks who are using our beach properties are out of towners so we are just not comfortable opening to free swim at this time.

- District General Manager Winquest continued by stating that Director of Community Services/Golf Darren Howard provided some great information on agenda packet page 7 however the revenue numbers are grossed up numbers which means it doesn't subtract out the parcel owner allowance. Staff will adjust those numbers going forward to show true revenue however it is still a very good reference to last year. Also on agenda packet page 7 are the beach visits and District General Manager Winquest went over those numbers and said that the 4th of July went very well and then returned to his update.
- Trustee Schmitz asked if there was any sort of a reservation system at the bocce courts for team play or what have you and is that an option. District General Manager Winquest said that he will be meeting with the Parks and Recreation team and thinks that we will get to a point in time where we do need to take reservations. Staff is looking at various activities and then open slots for walk on play as we do expect it to be a very popular amenity.
- Trustee Morris said that he did know that there was a medical event at the Tennis Center and was wondering if the District had any liability issues. District General Manager Winquest said we did lose one of our community members to a heart attack while playing pickleball. Staff did a great job responding and that the paramedics tried to revive the resident but unfortunately he didn't make it. There is no liability issue as everything was handled professionally. It is an unfortunate situation and our deepest sympathies go out to the family.
- Trustee Dent said that he wanted to touch on a couple of the public comments that came earlier regarding the Audit Committee. There is no secret Audit Committee and there is no secret society nor anything going on with the Director of Finance. We, as a Board, appointed three members to the Audit

Committee. There was a transition plan that we approved along with Policy 15.1.0 and that transition plan has been underway and we are working through that process. So, as of end of business day today, the three active members of the Audit Committee – Trustee Schmitz, Trustee Callicrate and himself, that after end of business day today, he received a resignation from Trustee Callicrate so he is no longer a member of the Audit Committee which, in speaking with General Counsel, it triggers that reorganization in the next steps and so with the July 29 meeting we should see the three members of the public that have been appointed will join that committee so we will have a new Audit Committee starting on Wednesday, July 29. Wanted to give everyone that little update so we can put the misinformation to rest and we are moving forward, it is in the transition plan which is public and if you would like it, please feel free to send him an e-mail. Trustee Morris said that he listened in on the Audit training this week which was really good and that he wanted to check to see if the at-large members have to get sworn in like we Trustees do. Trustee Dent said that it is his understanding, after talking to legal counsel, that they don't get sworn in like Trustees. Chairman Callicrate said that is his understanding as well but we will double check on that as we want to do everything absolutely correctly.

F.2. REVIEW WITH BOARD OF TRUSTEES, BY THE DISTRICT GENERAL MANAGER, THE LONG RANGE CALENDAR *(for possible action)* *(moved from Item M.)*

District General Manager Winquest said that he has instructed our Board Clerk to move the Long Range Calendar up to this position on forthcoming agenda. We will have an Audit Committee meeting next Wednesday so his recommendation is to start that meeting at 4 p.m. as we are transitioning to the new composition of the Audit Committee. Trustee Dent confirmed a 4 p.m. start. Trustee Schmitz confirmed that a 4 p.m. start works for her and asked Trustee Dent if he had reached out to the next members to see if it works for them as well. Trustee Dent said that since he received Chairman Callicrate's Audit Committee resignation an hour ago, he has e-mailed them but has not yet told them what time and that the Board Clerk is going to reach out to the new members' tomorrow and that we can be a little

flexible if we are going to adjust that a little bit. District General Manager Winquest said we will pencil it in for 4 p.m.

District General Manager Winquest continued the review of the long range calendar.

District General Manager Winquest clarified that the District has only gone under contract with Tri-Strategies for one month and that is at a cost of \$3,000. We are not exercising the second month but we have heard that another special session is forthcoming which we will discuss at that time.

District General Manager Winquest continued the review of the long range calendar.

District General Manager Winquest asked Trustee Dent about Policy 7.1.0 and Practice 7.2.0 and was the August 12 still a good date for that agenda item. Trustee Dent said he has started talking with the Director of Finance earlier this week and he will say yes for now and he sees all of our policies, such as 12.1, with the item that is before us tonight, our financial policies are a wreck and they need to be shredded and we need to start over. Trustee Dent continued that he can do a calculation to a really bad policy and then we move forward and possibly decide to revisit the policies as a whole and what the Board prioritizes as we move forward so it should be fun.

District General Manager Winquest continued the review of the long range calendar.

Trustee Morris asked about the August meetings and the combination thereof and whether we have one meeting in August or not. District General Manager Winquest said that we will have, on August 26, an item about Burnt Cedar pool and that he will also be adding an item about the Ski Way project. He would like to bring back an item that provides an overview of the five different options because when it was originally presented the Board landed on one of the options and since it has been 2 years we want to bring that item back to bring everyone up to speed as we have a new Trustee on the Board that was not here in 2018. This project is sitting in Year 2 of the capital plan and we have not yet determined whether we are going to bond that project or combine it with another project and bond both of them or utilize fund

balance to pay for that project. Staff feels it is important before we move forward with design that we make certain of the option that we want them to design. Those are the only two items on August 26 and we could potentially combine everything into one meeting or Staff is prepared to move forward with meetings on August 12 and August 26. Trustee Schmitz said that she just wanted to let District General Manager Winquest know that she did reach out to Diamond Peak Ski Resort General Manager Mike Bandelin and that he was very helpful and did provide background information and she looks forward to further discussion on that project. Before we start moving on, there are some things that have fallen off of our long range calendar that don't seem to appear any longer - enterprise vs special revenue accounting, public correspondence, policy 3.1 specifically contract authorization levels including the District General Manager which ties into the Trustee handbook. The Trustee handbook has had some clean up and District General Counsel has provided his input and she was to then put in some final tweaks so that was something that was also supposed to come to the Board. Then, at the meeting for which you were appointed, the General Manager's job description needed to have some updates because it didn't have things such as internal controls, etc. so that is something else that should be added to the long range calendar. District General Manager Winquest said what he is going to do is to put three of those things into the parking lot and he will talk to the Director of Finance about the enterprise accounting item, the authority item is up to the Board on when they want to get that onto an agenda and he can work with the Chair on that item. For public correspondence, before we bring it back, which he supports, we need to recap the history and why it went away and make sure that if we are going to reinstate public correspondence that the Board has a full understanding as it went away because of some of the statements that were being made, derogatory language used etc. and that the Board needs to have a really good conversation about if we bring it back what does it look like. Chairman Callicrate said that there was something about either an Open Meeting Law complaint or an Ethics Complaint so let's bring that back sooner rather than later as we have been talking about this for about a year. District General Manager Winquest said he will preliminarily put it on the August 26 meeting agenda. District General Manager Winquest then went over his plan for Ordinance 7 and that advisory team. Trustee Schmitz said that she agrees wholeheartedly as we need to have closure on is the handling of the punch cards and have that situation brought to a

conclusion and then the next step is the Ordinance 7 details. District General Manager Winqest said he agrees 100%. Chairman Callicrate said it is incumbent upon this Board to finally deal with this. This has been percolating since he and Trustee Wong campaigned in 2014. It has been kicked down the road and now is the time for it to be tackled. When we do that, we are going to need to give ourselves the ample time to come to a resolution that we can stick with. It has been dragging out there and it is just not fair to the community, the Board or the District in general as we have been talking about it for quite some time. What do you think is manageable for an advisory committee and getting them up to speed and then coming back to the Board? District General Counsel Winqest said he would like to put a General Manager's Advisory Team in place in August and come back to the Board in September. That means meetings for four to six weeks or maybe a little longer and then in early to mid-winter coming back to the Board. Chairman Callicrate volunteered to serve on this committee. We will have a representative from the Board, timeshares, folks that rent their homes out, and every user group in the community so that we have full representation. Staff is excited to get going on this and he will update the Board when the committee is formed which will also include Staff members. District General Manager Winqest said that we can add the General Manager's job description to the August 26 agenda and have Chairman Callicrate take the lead on that item. The Open Meeting Law training will be locked down by the Board Clerk along with a duration. Trustee Schmitz said this is wonderful way to inform the community of our issues and priorities and doing it at the beginning of the meeting is a wonderful way to do that.

G. REPORTS TO THE IVGID BOARD OF TRUSTEES*

G.1. Board Treasurer Sara Schmitz

Board Treasurer Schmitz said that she is going to be brief and that she does an online review of the weekly bill pay that is posted and she puts together questions on what she is not sure of and then provides that list to the Director of Finance who is working on some questions she had. One of her questions that came up was the purchase of coverage. It is important to understand when coverage is being purchased, why it is being sold, when it is being sold, and is coverage land as land can only be bought and sold with the approval of the Board. There are just some questions relative to coverage, it is being followed up on and if there are some recommendations that come

from this, that will be coming to the Board. We are working and making sure that we are appropriating funds, especially legal activities and make sure we have the appropriations of funds by the Board. We are also looking forward to, as of July 1, 2020, new financial reports and them being a bit more transparent and complete than they have been in the past. Chairman Callicrate said that coverage situation came up 20 years ago at least and several times since then. It is important, and the Board should be made aware of what is transpiring and it is critically important to be apprised of.

Chairman Callicrate called for a break at 7:20 p.m. break; the Board reconvened at 7:30 p.m.

H. GENERAL BUSINESS (for possible action)

- H.1. Review, discuss and possibly approve Approval of the District's Form 4410LGF Indebtedness Report and related Debt Management Policy as of June 30, 2020 for filing with the Nevada Department of Taxation and the Washoe County Debt Commission and Approval of District's Form 4411LGF - Five-Year Capital Improvement Plan, to include the IVGID-prepared Five Year Capital Project Summary for the fiscal years 2020-21 through 2025-26 and FY 2019-20 Carryforward Schedule, for filing with the Nevada Department of Taxation, the Washoe County Clerk and the State of Nevada Legislative Counsel Bureau (Requesting Staff Member: Director of Finance Paul Navazio)**

Trustee Morris said that he apologizes as he should have done this before the meeting but that he wanted to make sure that the Board is aware that he is the general improvement district member of the Washoe County Debt Management Commission and that he doesn't see any issue with him continuing with this discussion. Chairman Callicrate asked District General Counsel to make us aware of any conflict of interest regarding Trustee Morris' participation. District General Counsel Velto asked if the report is submitted to the commission, what is your role in that process? Trustee Morris said to receive these indebtedness reports and many other things to do with debt in the county so potentially if there was an issue, he could be voting on any matter that came to the Washoe County Debt Management Commission. District General Counsel Velto said that he didn't see a conflict on this item and that there may be a conflict if you have to review it for that

commission. Trustee Morris said that if it comes up there, he will raise that concern at that meeting and appreciates being able to make declaration.

Director of Finance Navazio gave an overview of the submitted materials and following are the questions and answers that occurred during the presentation.

Trustee Schmitz said that something that Staff said in describing this isn't what she actually sees in the report and that maybe she is missing it but you stated here this evening that there may be one or more projects for which we decide to take on debt and that the only one, unless she missed something, she sees in here was the Ski Way project and that she doesn't believe that the Board officially approved that as a project for which we would take on indebtedness, although we have had discussion, so she has a question on clarity on what you meant when you said there is one or more and what is the more because she is only seeing that project. The other question is on agenda packet page 22 it states that we have project carryforwards that include future commitments of \$11.586 million for the effluent pipeline project and discussed that we wanted to commit the additional \$2 million which, if she recalls correctly, we weren't able to do that because it wasn't in the fiscal year as we were doing that prior to June 30 so she is a little bit curious about the commitment of \$11.5 million as she thinks it what has been committed, to date, is only \$9.2 million. Director of Finance Navazio said, that the second question relates to capital and he can address that. The first question, the intent is while there has been some discussion about potentially doing debt, the Board hasn't made any decision or commitment on that and the only decision that is inferred is that none of the projects that are funded in the current fiscal year 2020/21 budget require any debt financing and are being funding by fees or fund balances. So going back to the day that he got here and inheriting a capital plan which is updated not only annually but periodically throughout the year, the current, in aggregate, the total capital plan over five years with Community Services and Beach exceeds the ability to support so there was a discussion on day one of the budget process about prioritizing projects and making sure that the Board's priority projects were funded. The first discussion he was privy to was should we/can we/is the Board interested in potentially doing debt financing on things like the Burnt Cedar pool or the Incline beach house and the Board indicated that the funding, and the Board shifted the Rec Fee, was to come from sources on hand which creates a gap in the Community Services Fund for all the projects in the capital plan. He highlighted Ski Way because that was the project the Board seemed to, at the time, indicate that

it would be a likely candidate for debt funding so that is why he referenced that project and that you can add one or more because the Board hasn't made any final decision on that project or any other project. The intent of that statement was to say to support this five-year capital plan, particularly if the Incline beach house is added there is likely going to be a need for a future financing, the Board will decide as we move along. As this is still an open question, the Board is not precluded from issuing debt for some of the other projects. Trustee Schmitz said what about the statements that commitments have been made for the effluent pipeline. Director of Finance Navazio said regarding the pipeline, it does get to Form 4411, agenda packets page 52 and 53, and the \$11 million for the pipeline is not in reference to the reserved amount in terms of reservation of fund balance but when we put the budget together, and he pointed to agenda packet page 52, there has already, for the effluent pipeline project, been \$11.5 million budgeted. It is what was reserved plus the \$2 million from last fiscal year so we are carrying those over and they are not in this year's budget because we are not going to spend it in 2020/2021 and the Diamond Peak Master Plan is on the carryforward projects from 2019/2020 and those monies are still assigned to those projects but not included in the 2020/2021 budget because we all recognize we are not going to spend that money this fiscal year so they end up on a column that is basically carryover for future year reservation. So we are carrying over a total of, on agenda packet page 54, \$17.3 million in carryovers from last year going forward. Trustee Schmitz said on agenda packet page 22, and then again on agenda packet page 52, is this just a typographical error of a transposition of numbers. Trustee Morris thanked Trustee Schmitz for bringing that up as he too noted that typographical transposition. Director of Finance Navazio said yes and that the correct number is \$11,586,890. To move back from the weeds, there is funding included in the 2019/2020 budget which is still intended for use to support projects in the five-year capital plan but not in the current 2020/2021 fiscal year; effluent pipeline and entitlements/permitting on the Diamond Peak Master plan

Director of Finance Navazio continued his presentation.

Chairman Callicrate said he is glad that the two additional items got clarified as that was brought up in public comment and for this next fiscal year and we put our budget into the State of what we want to spend on our CIP, rather on what we are planning on spending, and that five years is five years and that we can't go past one year at a time because it will change from year to year. These two forms seem rather perfunctory and that we have to file them

to alert the State of what we would like to do and notwithstanding the comments made earlier on, we do have fluidity. We have to look at funding opportunities that we have and do we want to spend down all of our reserves as we have been talking or do we want to restrict them or do we want to have some combination of potential borrowing. There are public/private partnerships that we haven't looked at yet so to comply with the State's needs, we are there, and that we have to vet it out a little further for our own internal activities so we don't get caught short as we have a lot of capital improvement projects. Director of Finance Navazio said that he would like to add one more important component that is part of the indebtedness report and that is that this form requires that we report our statutory debt limit which is done by a formula in the NRS and that the District is not even using 1 percent of our statutory debt capacity. Also the Board has established an internal debt capacity policy that speaks to ratio to revenue and debt and we meet and exceed, in some cases significantly, the Board's internal policy for debt capacity. We are also compliant with the Nevada Revised Statutes and with Board policy and that at the appropriate time we can talk about what that means in terms of what the Board desires as far as future debt goes as we have plenty of room to have the discussion that is yet to be had. Chairman Callicrate said that this is not about raising debt and going berserk however he is just stating the fact saying that we do have some opportunities that we haven't thoroughly looked at or we may decide, as a Board, to keep things status quo or make a slight change; finally, he wants to make it perfectly clear that he is not saying issue bond after bond. District General Manager Winquest said, to address some of the public comment, that the Board has yet to reserve fund balance to some of the projects - Staff is working on this and it will probably be a discussion over the next several Board meetings. We have yet to determine what exactly the Burnt Cedar pool will be and what it will cost. We have yet to determine what we want to do for the Incline Beach house and we don't know if we are going to pay cash or bond for Ski Way so it is really hard to reserve funds when we don't know exactly what we are going to do with some of these projects. Depending on what we do at the beaches, we may be looking not at one year of different allocation but two years. There is a lot of comprehensive work that needs to be done and Staff is working on this. We have specific projects that we think we can utilize fund balance for and do it the right way but there are still some unknowns. He wants to assure the community that we are working on this and listening to make sure we are getting it right. There are unintended consequences to making rash and quick decisions and that this is good governance. We are where we are and we are going to commit these funds. It is important for the community to know that we are

going to use the monies we have collected, fund balance collected, to get these projects done. Chairman Callicrate said that he appreciates that and that everyone is just frustrated as things are taking longer than anyone would like but that is the reality. We have to take the time to make final decisions before we spend the monies as we want to do it right and one time only. He has seen us go down a good path and make a wrong decision and then we have to go back and rectify a mistake time and time again or it doesn't get done because we stagnant. The Board will be taking votes in the next couple of meetings to actually restrict funds so they are restricted to where they should go so and the capital projects that we have been discussing and prioritizing and we are moving in the right direction. Patience is much appreciated so we do it right and do it one time.

Trustee Morris made a motion to approve the District's Form 4410LGF Indebtedness Report and related Debt Management Policy as of June 30, 2020 for filing with the Nevada Department of Taxation and the Washoe County Debt Commission. The motion was seconded by Trustee Wong. Chairman Callicrate asked for further comments, hearing none, he called the question – the motion was unanimously passed.

Trustee Morris made a motion to approve the District's Form 4411LGF - Five-Year Capital Improvement Plan, to include the IVGID-prepared Five Year Capital Project Summary for the fiscal years 2020-21 through 2025-26 and FY 2019-20 Carryforward Schedule, for filing with the Nevada Department of Taxation, the Washoe County Clerk and the State of Nevada Legislative Counsel Bureau. The motion was seconded by Trustee Wong. Chairman Callicrate asked for further comments.

Trustee Schmitz said on agenda packet page 22 where we discovered there is a typographical error so should our motion indicate that the number is going to be updated because it is going to be submitted. Director of Finance Navazio confirmed that Staff will correct that typographical error prior to submittal.

Chairman Callicrate asked if there were any other comments; hearing none, he called the question – the motion was unanimously passed.

H.2. Presentation and discussion about punch card utilization and accounting – laying the foundation for a special meeting of the

**Board of Trustees at a future date (Requesting Staff Member:
Director of Finance Paul Navazio)**

Director of Finance Navazio gave an overview of the submitted materials.

Chairman Callicrate said that he believes that the main concern of many in our community is the accounting practices and how we account for these because it is such a convoluted situation and while there has been attempts of it making sense, it has just gotten mired down and we are here today to try and sift through some of it. He appreciates the brevity of the presentation and the focus to the most important parts towards the end and he will not cut you off this time and sorry about the last time.

Director of Finance Navazio continued his presentation.

Trustee Schmitz said her question is about how it relates to the accounting for additional punch cards purchases and is the same true for additional picture passes that might be purchased as well? Director of Finance Navazio said yes but for different reasons. Picture passes and punch cards that are provided to the parcel owners requests for the original \$830 is revenue that is recorded through the Recreation Fee that is collected through Washoe County and all we are doing, in the rest of this accounting, is tracking utilization. The extra punch cards that are purchased are recorded as deferred revenue when purchased and then the actual revenue is recorded when they are used. Picture passes are the same way because we record that revenue when they are purchased as they are not a part of the \$830 that is collected through the Recreation Fee. He has examples included in his presentation that are confusing because it is confusing.

Director of Finance Navazio continued his presentation.

District General Manager Winquest said we don't allow punch cards, as a form of payment, for the purchase of ski season passes and, on the chart, under Mountain Golf Course you will see a very high number, \$125,000, which is significantly higher than in other years at Mountain Golf and that is because of when we ran the punch card promotion at the Mountain Golf Course. Director of Finance Navazio added that at the bottom right, in the \$977,000 total, we back out the additional punch cards purchased and the Mountain Golf Course and Tennis Center punch card promotions to get to the net amount.

Director of Finance Navazio continued his presentation.

Trustee Schmitz said that she had a point of clarification; in describing the punch card utilization numbers, let's just make an easy one and talk about the beach – if she goes to the beach, takes a guest, and uses her punch card to obtain guest access, in the utilization number is that the \$12 because when you get into the accounting and because you have got that crazy split for contra revenues so she is trying to understand if this utilization is really capturing the what dollar value she is using at that venue? Director of Finance Navazio said it is the dollar value you are using and you hinted at the rationale for doing the contra revenue accounting. If someone who pays their Rec Fee and gets five punch cards and uses all of five punch cards exclusively at the beach, that revenue is recorded as beach revenue even though the funds that originally paid for that was 85% revenue that was in the Community Services fund and only 15% in the Beach fund because out of the \$830, \$705 is the Community Services fund revenue and \$125 is Beach revenue and the contra accounting was the prior Finance Director's attempt to unwind. Trustee Schmitz said that there is no revenue when she uses her punch card because the revenue was her \$830 and let's all be clear that when she uses her punch card there is no additional revenue coming into the District. Director of Finance Navazio said there is no additional cash and no additional revenue but we record that revenue as beach revenue when that punch card is used. Likewise, if someone uses a punch card at the Championship Golf Course, we record the full rack rate under charge for service, net out punch card utilization and you see the accounting entries in a minute and yes, the cash is just what was paid. So when people ask how did the Beach do and how did Golf do, on a P&L basis, we show those revenues as venue revenues. Trustee Schmitz said that she hears Staff and that you have got to back it out otherwise you are double booking revenue. Director of Finance Navazio said yes, it is backed out and then there is contra revenue that reallocates the amount that is backed out back to the funds that actually paid for the punch cards in the first place. It needs to be critically reviewed and, he supports, changing how we do it. It is driven by how the District and the Board wishes to see how punch cards are used.

Director of Finance Navazio continued his presentation.

Trustee Schmitz said, on agenda packet pages 84 and 85, what this allows demonstrates is how the District is inflating revenue levels. The perfect example is saying when someone comes in with a picture pass and pays \$75 for a round of golf, the District is reflecting that at \$175 of revenue so

this is causing the revenue numbers to be inflated. District General Manager Winquest said that is not an accurate statement. Yes, on the front end it looks like that but if you look at a P&L and operating statement for the golf course, what it is going to show is rack rate revenue gets collected and then below that item is the parcel owner allowance, which gets deducted so when you look at total sales and fees, its rack rate, revenue miss parcel owner allowance so it is actually showing the right amount of revenue. A little history on this is that our previous District General Manager and Director of Finance, the reason they created the parcel owner allowance, was because they were asked by the Board to try and show and track how much of a discount we give to our residents, not saying it was the right way to go but that was the reasoning behind it and he just wants to clarify because if you were to look in opengov, at the Championship Golf Course, the actual sales and fees, as it relates to golf rounds, revenue number would be accurate because that parcel owner allowance or any other discount is being stripped out. Trustee Schmitz said that she understands what you are saying but even in your General Manager's report today we discovered that the revenue numbers are the gross numbers and so when we are representing things we should always have the gross numbers then pull out the parcel owner allowance so that we clearly understand what the real numbers are.

District General Manager Winquest said yes, he agrees with Trustee Schmitz. Director of Finance Navazio said net revenue is the cash that is paid, the net revenue is correct and we should be consistent and the transaction is recorded as a \$175 round of golf regardless of who is playing and how they pay which is a tie in to the pricing structure that we have for golf and the other venues.

Director of Finance Navazio completed his presentation.

Chairman Callicrate thanked Staff for putting this together and apologized for not allowing Staff to move forward with this at the last Board meeting. A special Board meeting is critical and ideally it would go before we get into Ordinance 7. He would like to decide, as a Board and a community, what we want to do – tackle this before we jump completely into Ordinance 7? Today we are here to set a special meeting and have an agenda item of what we want to accomplish so that when we do go into Ordinance so we have a clearer picture. There are a lot of moving parts so does the Board want to tackle this first? Trustee Schmitz said, referencing agenda packet page 89, where you have suggested your methods and some of the concerns she has, such as eliminating punch cards as a form of payment and transitioning them to an identification availability that would mean they

are no longer transferable? If used as identification and eligibility, then they can't be transferable. Other thing is unlimited use and/or access – does that pose another unintended consequence? Director of Finance Navazio said that he didn't know if that makes them non-transferable as you can give it to anyone and that entitles the holder to a certain rate, it can easily be transferable and the identification only means eligible for a guest rate. District General Manager Winquest said there are two core reasons why punch cards exist – one, and the reason they are transferrable, is a method to get family members and guests into the beach without the picture pass holder being present is one of the main reasons that punch cards exist. He went back and read the Board minutes of the eighties and early nineties is that there were a lot of parcel owners whose kids had grown and they didn't have anyone to issue the additional three passes to and thus the punch cards were a way to create equitability and value for them. These decisions were made a long time ago and one of the ideas that has been tossed around is something that gets used as a guest pass to access at a particular rate. If it is a guest rate, there is no cap on the value and it can be used over and over again to get a specific rate. If you think about it, a picture pass gets you a rate at the golf course over and over and over again and same at the ski resort. Staff can argue this either way with respect to the ordinance and that is why we want to have a robust discussion at a workshop and use that information to lay out a process. Contra revenue accounting is an inadequate way as he would prefer to get punch card accounting out of the general ledger. Trustee Morris asked if Staff knew what the total revenue was for excess punch cards sold in the last year? District General Manager Winquest said in 2018/2019, the number of additional punch cards sold was around 110 which was \$18,000. in revenue. This year, Staff has sold 1,040 punch cards in less than two months. Trustee Morris said so what was a normal year, \$18,000 is not a huge amount. If a punch card became a resident rate discount card that could be used over and over again, based on the past use, we would only be about \$20,000 of revenue that we wouldn't have gotten. He sort of likes the idea that the punch card becomes a discount card and like the idea of getting rid of the accounting. If his kids or grandkids come, he likes the idea of them still having access and of not physically accompanying them and that this aspect is an important one. District General Manager Winquest said if we eliminate the punch cards as they are and we have a guest card with a guest rate but still allow the purchase of additional whatever we want to call and one would have to pay for it, then it is true revenue at that venue. You can give it to your family member and we still need a mechanism for that as one of the major reasons we have punch cards is because people were tired of being at the gate with

their guests and he hasn't found a Board action on that aspect. District General Manager Winqest then extended huge credit to the Director of Finance, who has only been here for 4 months, on his gaining a quick understanding of this activity. Chairman Callicrate said we need to stay with what the agenda item is and that is to make a motion to set a date/time so we should stick to that. This has been a great conversation to get the table set but he would like us to stick with the agenda and set a date. What are some of the dates/times that we are looking at as he would like to follow up sooner rather than later? District General Manager Winqest said it depends on how fast the Board wants to schedule the workshop as there are two Board meetings in August so we could do a workshop in one of the off weeks. Trustee Morris said he would prefer the very beginning or the extreme end. Trustee Schmitz said she has no calendar concerns. Trustee Wong said her preference would be September. Trustee Dent said he could do either August or September. Chairman Callicrate said he would prefer September. District General Manager Winqest said if September 2 works for everyone he will talk to District General Counsel and see if he can be present. Trustee Wong asked if it had to be a separate meeting? Chairman Callicrate said that he wanted to make sure we have enough time. District General Manager Winqest said he would like to set aside 3 hours for this meeting as we will probably have 30 minutes of public comment on each end. Chairman Callicrate said that this time frame sounds about right because it is a potential major change. District General Manager Winqest said that we can plan for one regular Board meeting, do a workshop on September 9 and then do a regular Board meeting on September 23. Director of Finance Navazio said he is agreeable to whatever the Board wants to do and that if there is additional information to please share it with Staff as we would like to provide some alternatives and then get that feedback. Chairman Callicrate said one of the alternatives should be to get rid of the punch cards and then maybe three or four other scenarios as we don't want to create something that is worse as we want to make a general improvement. Chairman Callicrate then asked District General Counsel if the Board needed to make a motion? District General Counsel Velto said that this item doesn't require a motion as the Board has discussed the matter, is laying the foundation, and then they can set a meeting in the future. District General Manager Winqest said that Staff does have some good input on dates. Trustee Morris said that he does think it is important for each Board member to express any scenario type questions or more detail type questions. Chairman Callicrate said that Staff has our ideas on availability which is the first week of September ideally and they have heard our concerns so when you send out the e-mail about dates, please also

include that Staff would like to get the Board's feedback on specific scenarios.

I. APPROVAL OF MINUTES (for possible action)

I.1. Meeting Minutes of Regular Meeting of June 10, 2020

Trustee Schmitz requested on agenda packet page 97, the second sentence, that the word budget should say spreadsheet and then in the discussion relative to Item H.3., regarding the condition of the pipeline, that her submitted comments be included.

Chairman Callicrate said that the minutes of June 10, 2020 are approved as amended.

I.2. Meeting Minutes of Regular Meeting of June 23, 2020

Chairman Callicrate said that the minutes of June 23, 2020 are approved as submitted.

I.3. Meeting Minutes of Regular Meeting of June 30, 2020

Chairman Callicrate said that the minutes of June 30, 2020 are approved as submitted.

J. BOARD OF TRUSTEES UPDATE (NO DISCUSSION OR ACTION) ON ANY MATTER REGARDING THE DISTRICT AND/OR COMMUNITIES OF CRYSTAL BAY AND INCLINE VILLAGE, NEVADA*

There were no Board of Trustees update at this time.

K. PUBLIC COMMENTS* - Limited to a maximum of three (3) minutes in duration.

Margaret Martini passed on her opportunity to speak.

Linda Newman said first of all, on the punch card discussion, the District's accounting and reporting is not in compliance with generally accepted accounting principles and therefore how you account and report the punch cards must be altered to comply with the law. In addition, transferring money from the Community Services Special Revenue Fund to the Beach Special

Revenue Fund is unlawful. Not only aren't these transfers disclosed in the State forms, which is a violation of NRS 354, but the money you collect in the Rec Fee can only be used for operations, capital projects and debt service of the Community Service venues and only the money that you collect for the beaches can be used for the beaches so therefore transferring money that is paid into the Community Services Fund cannot be transferred to the beaches. So that really needs to be corrected, it is not a discretionary item. Accounting and reporting has to comply with generally accepted accounting principles and the way you have transferred money and the way you account and report your financials for each of the venues also must be in compliance with generally accepted accounting principles and NRS 354 so it is not discretionary. Irrespective of what you do with the punch cards whether you keep punch cards or whether you allow additional punch cards sold, whether they are transferable, irrespective of any of those things the accounting and reporting of the punch cards must be altered to comply with generally accepted accounting principles and that should be a priority. It is certainly a lot more important as to whether or not we give a contract to EXL Media especially at a time when we have COVID and where we are basically restricting the use of our venues to picture pass holders and punch card holders and are trying to restrict access to our venues. And also more important than Tri-Strategies whom we paid \$3,000 for, when to her knowledge, they haven't had any impact nor does she know what they were representing. So she thinks that is really critical. The other thing is that she does understand that there are a lot of things going on but one of the most important things, for this Board, is internal controls. Without them, you have no assurance of compliance with law, Board practices, resolutions, or ordinances. You have no financial oversight and you have no creditability of the financial statements that you produce to the State or the citizens.

Frank Wright said he is a candidate for the Board. You have a mess with the punch cards as you have 10,000-piece puzzle and the pieces don't fit together. You sit here and try and come up with a solution and none of the pieces fit together. Board members aren't fully understanding of the nuances. The values aren't equal, you have a mess and you are trying to resolve this mess. The only way to fix this is to end them – end of story. Reallocation of the monies and how can you distribute to all the venues equally is another problem. The Ordinance 7 Committee should have somebody from Crystal Bay on that committee. A lawyer needs to be on that committee because you need to have a lawyer that can advise. The lawyer we have doesn't have that knowledge and he is just making suggestions.

Hope you have someone from Crystal Bay, that is him and he is applying right now.

Yolanda Knaak said she is a candidate for the Board and that she also agrees that the punch card problem is a tremendous one; she is available to be on the committee.

Aaron Katz said, boy, some of the revelations that came out of this meeting he just cannot believe. The Director of Finance says this accounting system we have got is something else and that it had no bad intent when it was created. That was the former Director of Finance's middle name – nefarious. Everything was intended to hide, now admitting hiding which juices the numbers. Take a look at what you said on the forms you sent to the State - \$1.957 million in revenue. He went looking for the amount of the discounts that is taken off and he couldn't find it anywhere for the golf course or the ski resort and that is because you don't tell the public where it is. How many punch cards are sold? Staff says \$12,000. He remembers when the former Director of Parks and Recreation said the District sold \$95,000 worth of extra punch cards. Show him where we account for it. Where is the additional revenue reported? It is hidden. Why is it hidden and why do we go through this effort so we can show the discount and value? Most of us wouldn't be a customer if it wasn't for the discounts. He was right – we can't trust any of the financials. We are going to have to bond to do any of our projects.

Cliff Dobler said regarding the punch cards that he wants to give you some advice. You have two separate distinct things going on – what do you give other than a picture pass in exchange for fees and the other thing is accounting which has nothing to do with what you give because it has to be in accordance with GAAP and this should be with the Audit Committee. If we are giving guest passes, then that need separating because the accounting has nothing to do with what you want to give the residents. Keep them separate so you don't have get into a mess. Board Policy 6.1.1. says *"The District shall adopt process that identifies the manner in which fees and charges for services are set and the extent to which they cover the cost of the service provided."* Does anyone know the process and is it written anywhere? We bring forward the fees for golf and Diamond Peak and absent is the parks, Recreation Center, tennis, and beaches and these are the biggest losers. Why aren't these fees and charges brought before the Board? How can the Board do their budget? Just found out about the Hyatt special rates which wasn't brought before the Board.

M. REVIEW WITH BOARD OF TRUSTEES, BY THE DISTRICT GENERAL MANAGER, THE LONG RANGE CALENDAR (*for possible action*) (***moved to Item F.2.***)

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

The meeting was adjourned at 9:37 p.m.

Respectfully submitted,

Susan A. Herron
District Clerk

Attachments*:

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

Submitted by Aaron Katz (12 pages): Written statement to be included in the written minutes of this July 22, 2020 regular IVGID Board (“Board”) meeting – Agenda item H(2) – Laying a foundation for addressing recreation punch cards and how Staff should financially report their utilization, if at all

Submitted by Aaron Katz (31 pages): Written statement to be included in the written minutes of this July 22, 2020 regular IVGID Board meeting – Agenda item D – Public Comments – More evidence of District waste at local parcel owners/utility rate payors’ expense – the unreimbursed expense of written North Lake Tahoe Protection District (“NLTFPD”)/Waste-Management (“W-M”) inserts stuffed in our utility bills

Submitted by Aaron Katz (28 pages): Written statement to be included in the written minutes of this July 22, 2020 regular IVGID Board (“Board”) meeting – Agenda item D – Public Comments – Now that IVGID’s marketing manager has shared his metrics for calculating the cost-benefit to placing \$425,000+ annually of media advertising with EXL Media, it’s crystal clear not only is it time to end our media buying contract with EXL Media, it’s time to disband our worthless marketing department altogether

Submitted by Aaron Katz (24 pages): Written statement to be included in the written minutes of this July 22, 2020 regular IVGID Board meeting – Agenda item D – Public Comments – More evidence the District as a whole is financially

irresponsible, as is the IVGID Board because they continue to operate the public's recreation business enterprises at a *loss*!

Submitted by Aaron Katz (7 pages): Written statement to be included in the written minutes of this July 22, 2020 regular IVGID Board ("Board") meeting – Agenda item H(1) – Approval of proposed five (5) year capital improvement plan, debt management and indebtedness report

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS JULY 22, 2020 REGULAR IVGID BOARD ("BOARD") MEETING – AGENDA ITEM H(2) – LAYING A FOUNDATION FOR ADDRESSING RECREATION PUNCH CARDS AND HOW STAFF SHOULD FINANCIALLY REPORT THEIR UTILIZATION, IF AT ALL

Introduction: Because our new Finance Director, Paul Navazio, is having problems reporting the utilization of recreation punch cards in the District's financials because of the legacy former Finance Director Gerry Eick has left, here Mr. Navazio proposes a perpetuation of Mr. Eick's flawed financial reporting with changes. And this agenda item represents Mr. Navazio's opening salvo in anticipation of a subsequent meeting of the IVGID Board¹ where he can propose this perpetuation and changes.

But what Mr. Navazio's memorandum in support of this agenda item² really reveals, is that the whole concept of punch cards is a disaster. It's like trying to force a square peg through a round hole. It's like digging and digging deeper in search of an illusory golden fleece which no matter how deep one digs, cannot be discovered. It's time we eliminate use of punch cards for any purpose other than the one for which they were created (to pay for a picture passholder's guests' access at the beaches). And that's the purpose of this written statement.

Mr. Navazio's Intentional Misrepresentation Insofar as the Nature of Punch Cards: At page 75 of the 7/22/2020 Board packet Mr. Navazio states that "property owners...are afforded the opportunity to receive up to five...punch cards...in exchange for payment of Recreation ('RFF') and Beach ('BFF') Facility Fees." But this is *not* what the Board told the public as recently as May 27, 2020. At that meeting the Board adopted Resolution 1879³ which at ¶4(b) told the public,

"The Board specifically finds that *the availability of the use* of IVGID's beaches; boat launch ramp; Championship golf course; Mountain golf course; tennis facilities; the Chateau and Aspen Grove; Diamond Peak Ski Resort, and Recreation Center...are all benefits which inure to the owners of properties (who are) assessed hereunder."

¹ According to page 68 of the packet of materials submitted by staff in anticipation of this July 22, 2020 Board meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/0722_-_Searchable.pdf ("the 7/22/2020 Board packet")] Mr. Navazio requests "a motion (by)...the Board of Trustees...set(ing) a date and time for *a future Special Meeting of the Board of Trustees* to review, discuss and provide direction on possible modifications to current practices related to Punch Card utilization."

² See pages 68-90 of the 7/22/2020 Board packet.

³ See pages 107-110 of the packet of materials submitted by staff in anticipation of the Board's May 27, 2020 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_5-27-2020.pdf ("the 5/27/2020 Board packet")].

Moreover, ¶1 of the “Report for the Collection on the County Tax Roll of Recreation Standby and Service Charges...known as the RFF and BFF”⁴ (“the Report”), which has been adopted at ¶16 of Resolution 1879⁵, tells the public that “the following annual charges are for the *availability of use* of the recreational (and beach) facilities above described.”

Do a word search for “punch card” in Resolution 1879 or the Report. *Nowhere* is it mentioned.

So just like your predecessor Mr. Navazio, you have misrepresented the nature of punch cards.

Mr. Navazio’s Intentional Misrepresentation Insofar as Budgeting For the Estimated Sale of Additional Picture Passes, Punch Cards, and Their Utilization: At page 69 of the 7/22/2020 Board packet Mr. Navazio states that,

“Each year, the District budgets for...the sale of additional Picture Passes and Punch Cards...(as well as) estimates of the anticipated level of...Picture Pass...and Punch Card...utilization.”

Not true! Take a look at the current 2020-21 Budget adopted by the Board at its May 27, 2020 meeting⁶. Show me where sales of *additional* picture passes or punch cards is *anywhere* estimated/reported. Similarly, show me where utilization of picture passes or punch cards are *anywhere* estimated/reported? The answers to both questions are simple and straightforward. *NOWHERE*.

Therefore again, just like your predecessor Mr. Navazio, you have misrepresented the nature of punch cards.

Mr. Navazio’s Intentional Misrepresentation Insofar as Picture Pass and Punch Card Utilization is Concerned: At page 69 of the 7/22/2020 Board packet Mr. Navazio states “Punch Card(s)...can be used to pay the difference between the resident rate and the nonresident rate for access to various District facilities and programs.” Well not exactly. Try using a punch card to “pay down” the difference between resident and nonresident rates for season passes at Diamond Peak. Or, for season passes at the Championship Golf Course. Or, for season passes at the Recreation Center. *NOT POSSIBLE!*

The only reason the answer to this question is any different at the Mountain Golf Course, is because for 2018-19 our staff unilaterally changed the District’s policies⁷ to allow punch cards to not

⁴ See pages 111-116 of the 5/27/2020 Board packet.

⁵ “Said report...is hereby adopted.”

⁶ See pages 28-101 of the 5/27/2020 Board packet.

⁷ In violation of ¶172 Ordinance 7 (https://www.yourtahoeplace.com/uploads/pdf-ivgid/rec_ordinance_7_1998.pdf) which *prohibits* modification of the “recreation privileges issued under this ordinance (but for)...amendments...subsequently *adopted by the Board.*”

only be used to pay down the price to the resident rate for ten (10) play or season passes, but to purchase them outright using the assigned value of punch cards as if it were cash!

Were it not for this change, the reader would *not* have seen \$125,884.33 of Mountain Golf Course sales [five times the amount of Championship Golf Course sales (\$25,159.50)] using punch cards⁸. Rather, he would have seen \$38,338.93 (\$125,884.33 minus \$87,505.40) in sales.

And the only reason the answer to this question is any different at the Tennis Center, is because for 2019-20 our staff similarly unilaterally changed the District's policies to allow punch cards to not only be used to pay down the price to the resident rate for play or season passes⁹, but to purchase them outright¹⁰!

Finally, the answer to this question is different insofar as use of punch cards to purchase water vessel launches at Ski Beach outright is concerned. There the holder of a punch card can reduce the cost of a boat lunch by \$1 for every \$1 of value on said punch card.

These Are All Attempts to Artificially Create Value Where None Exists:

Punch Card Use at Any District Owned Recreational Facility Other Than the Beaches is Essentially *De Minimis*: FOR THE FIRST TIME in recent memory staff have shared actual use of punch cards at the District's various recreational facilities¹¹. And what have we learned? That for fiscal year 2018-19, 78.5% of their use was at the beaches! And if one throws out \$87,505.40 of over use at the Mountain Golf Course⁸ (see discussion above), the percentage jumps to an almost exclusive 88.43%! But we knew this fact before staff's discussion, didn't we?

Because Punch Card Use at Any District Owned Recreational Facility Other Than the Beaches is Essentially *De Minimis*, it's Clear Punch Cards Were Expressly Created For Picture Pass Holder's

⁸ See page 80 of the 7/22/2020 Board packet. Given the assigned value of a punch card is \$166, and a "spring (2019) promotion...allow(ed) residents to use the remaining value of their 2018/2019...Punch Cards towards the purchase of a Mountain Course Play Pass(, Mountain Course season pass or)...Tennis Center Season Membership Pass (where)...each \$1 of...Punch Card value w(ould) be applied as a \$.35 cent credit" towards one or more of these products (see Exhibit "A" attached to this written statement), \$87,505.40 in Mountain Golf Course sales accomplished with punch cards pursuant to this promotion translates into approximately 1,506 punch cards! The year before the same promotion was offered at the Mountain Course with the exception the conversion value was \$0.50 for each \$1 of Punch Card value. Therefore \$87,505.40 in Mountain Golf Course sales accomplished with punch cards redeemed at \$83 per punch card (\$166 times \$0.50) translates into approximately 1,054 punch cards!

⁹ In violation of Ordinance 7⁷.

¹⁰ The reader does not see the results of that change on page 80 of the 7/22/2020 Board packet because this page reports fiscal year 2018-19 rather than 2019-20 punch card utilization.

¹¹ See page 80 of the 7/22/2020 Board packet.

Use at the Beaches and Nothing More: What use? Paying for water vessel launching (see discussion above), and paying for beach guest access fees¹². This assertion is substantiated by the initial use of the predecessor to punch cards, daily beach passes. Resolution 1242 (adopted February 12, 1976) established the 1975-76 RFF. Up until then the only recreational facilities IVGID owned/operated were the beaches and perhaps one or two public park lands where user fees weren't charged. And here's what ¶7(g) of Resolution 1242 declared insofar as daily passes were concerned:

"Only guests of a person entitled to beach privileges shall be admitted to the two beaches and daily passes for such guests may be obtained...by (an) owner, lessee or renter upon presentation of his own pass and payment of one dollar (\$1.00) per daily pass. Children under six (6) years of age, accompanied by the holder of an adult pass, are included within the cost of the adult pass. Such children will be admitted if related to and residing with the pass holder."¹³

Sometime on/before May 14, 1981 access to daily passes was changed. ¶3(h) of the Report attached to Resolution 1397¹⁴ describes the change:

"Each parcel which is charged a...recreation assessment is entitled to three photo identification cards *and five coupons*, each of which has a \$5.00 value. The photo identification card is valid for free admission to the beaches, and qualifies (the) cardholder to a reduced season pass rate at the golf courses, the ski area, and tennis courts...(1) One \$5.00 coupon may be exchanged for two daily adult guest passes or five daily children guest passes *to the beaches*. (In addition,) each coupon is valid for a \$5.00 discount off full rate charge at the golf, the ski, and the tennis areas. Upon proper authorization, additional daily guest passes may be purchased...for a charge of \$2.50 per adult and children under 18 years, \$1.00 each."

Thus just like today's punch card, in 1975 daily passes evidenced a parcel owner's mode of payment for his/her guests to accompany him/her on the beaches, and on/before 1981 coupons given with picture passes evidenced a parcel owner's mode of payment for his/her guests to accompany him/her on the beaches.

Show Me Where Picture Passes, Punch Cards, Guest Passes of Coupons Are Even Mentioned in the Beach Deed¹⁵: Do a word search through the document. Again, the answer is *nowhere*.

¹² Who wants to pay "guest" fees or to make their guests pay such fees at the beaches?

¹³ I have attached page 3 of Resolution 1242 which evidences this language as Exhibit "B" to this written statement.

¹⁴ I have attached the page with ¶3(h) of the Report attached to Resolution 1397 which evidences this language as Exhibit "C" to this written statement.

We All Know the Predecessors to Punch Cards Were Created So a Picture Pass Holder Could Bring His/Her Guest(s) on the Beach Without Having to be Embarrassed by Being Charged For That Access:

Because Staff Are Using Punch Cards For Purposes *Other Than* Some Type of Payment at the Beaches (i.e., to Demonstrate Alleged “Value” Where None Exists), They Have Created a Series of Unintended Consequences: According to staff we need to

“Preserve (the) ability to document (the) ‘value’ of (the) RFF and BFF to residents.”¹⁶

We’ve discussed this subject before. Many of us are of the opinion the RFF/BFF represent no monetary value whatsoever. Besides, it’s insulting that staff believe we *aren’t intelligent enough to figure out the “value” ourselves*. Do we really need staff playing with our financial reporting system to make it appear that punch cards represent “value” when in truth they don’t?

Besides, Governments Don’t Exist to Bestow “Value” to Private Property: Just because former Finance Director Gerry Eick perpetuated this erroneous mindset, doesn’t mean you Mr. Navazio are required to do the same. *Think for yourself*. You know that the “double” revenue the District currently reports insofar as punch cards are concerned is bunk!

And Because Staff Are Attempting to Allocate the Artificial Value of a Punch Card Based Upon Utilization They Assert Needs to be Tracked, Staff Have Created an Unnecessary Financial Reporting Nightmare: for you, Mr. Navazio, to deal with. But that doesn’t mean you need to go along with the narrative.

You Know, Mr. Navazio, That Budgeting For the RFF/BFF is *Not* Based Upon Utilization But Rather, as a Subsidy to Cover Recreation/Beach Facility *Overspending*: We’ve had this discussion many times before. Contrary to the Board’s representations, the RFF pays for nothing more than the estimated annual difference between revenues and overspending¹⁷ assigned by staff to the District’s various recreation venues. And the BFF pays for nothing more than the estimated annual difference between revenues and overspending assigned by staff to the District’s beaches. The fact Diamond Peak is budgeted to “throw off” positive cash flow which goes into the mix with the RFF to subsidize losses at the District’s other recreation facilities is testament to this truism. Why then the need to adjust the budget to report any other type of punch card revenue? Punch card revenue is already included in the facility fees the District reports in its Community Services and Beach Funds.

And Since Payment of the RFF/BFF is *Not* an Exchange Transaction, Allocating Revenues Based Upon Punch Card Use Becomes Immaterial: We’ve had this discussion before. Payment of the

¹⁵ Go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/Beach_Deed.pdf.

¹⁶ See page 90 of the 7/22/2020 Board packet.

¹⁷ A nice way of saying what the Incline Village/Crystal Bay parcel owner market will bear.

RFF/BFF is involuntary. Moreover, according to page 54 of the 2016 CAFR¹⁸, at Note 17, IVGID states: “the District provides recreation functions through two individual *special revenue funds*.” Since GASB 33 states that in order to qualify for Special Revenue fund accounting a substantial portion of the fund’s revenues must come from *non-exchange* transactions, the RFF/BFF revenue IVGID assigns to its Community Services and Beach Special Revenue Funds are the product of non-exchange transactions. That is, taxes. And if taxes, any allocation amongst recreation venues becomes *immaterial* because the assessee is obligated to pay the same amount regardless of utilization/lack thereof.

Therefore the Solution to the Punch Card “Accounting” Problem is to Simply Eliminate Them Altogether: Staff even presents this as an option at page 89 of the 7/22/2020 Board packet: “*eliminate* punch cards as a form of payment” and “eliminate punch card contra - revenue accounting.” And I say take “elimination” to a higher level. Beach access per se should be eliminated via punch cards, and should be exclusively via picture pass unless one is a legitimate guest of and *accompanied by* a picture pass holder. Since this agenda item purports to “discuss and provide direction on possible modifications to current practices related to punch card utilization,” punch cards should be eliminated, and this should be the recommendation to the Board.

Conclusion: Because staff are attempting to accomplish too many extraneous endeavors with punch cards (like perpetuating the propaganda of “value” for the RFF/BFF), and not all owners of parcels within the District are entitled to beach access, staff have created an administrative and financial reporting nightmare which cannot be reconciled. The simple solution to this nightmare is to eliminate punch cards altogether. After all, if a punch card has a “value” of one-fifth of the RFF/BFF combined, and this value can be redeemed at the Mountain Golf Course, Tennis Center, and for water craft launching at Ski Beach, *why isn’t a picture pass* loaded with the same allocated value? If one must be an owner of a parcel within IVGID’s June of 1968 boundaries to secure beach access, why is it someone who is not even an owner gain beach access with a punch card? Punch cards should be eliminated, and this should be the recommendation to the Board. And as a consequence, let’s come up with some means of not charging a picture pass holder’s guests who accompany him/her onto the beaches which was the real purpose for punch cards when they were created.

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

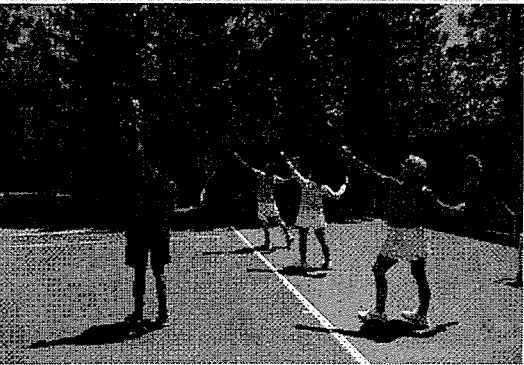
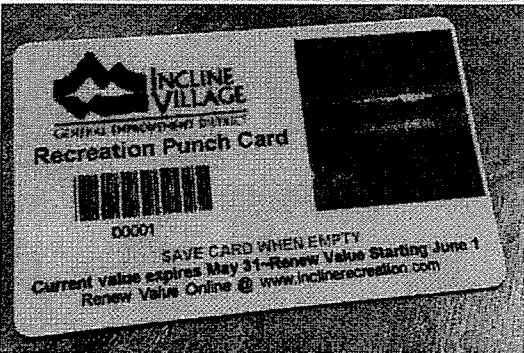
Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

¹⁸ Go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/2016CAFReport_Revised_5_11_2017.pdf.

EXHIBIT "A"

PUNCH CARD PROMOTION

Mountain Golf Course & Incline Tennis Center



2018/2019 Punch Cards expire May 31. To check your balance or to renew your Punch Card online: <https://www.shopincline.com/PunchCards/>. You may renew your Punch Card on or after June 1. Call the Parks & Recreation Counter at (775) 832-1310 if you have any questions or need assistance with your Punch Card. Play Passes and Season Pass rates are available online: www.yourtahoeplace.com

The Incline Village General Improvement District is excited to announce a valuable one-time promotion to our Incline Village/Crystal Bay Punch Card Holders. This spring promotion will allow residents to use the remaining value of their 2018/2019 expiring Punch Cards towards the purchase of a Mountain Course Play Pass, and new this year, the Incline Village Tennis Center Season Membership Pass. Here are the details of the Spring Punch Card Promotion:

- This promotion is valid for Punch Cards that have already been issued.
- Each \$1 of expiring Punch Card value will be applied as a \$.35 cent credit.
- Punch Cards categorized as "No Golf" are not applicable for this promotion.
- Punch Card promotion expires on May 31, 2019. No purchases with Punch Cards may be made after May 31. Beginning June 1, regular sale transactions apply.
- Promotion is valid for Mountain Course Passes and Tennis Center Season Membership Passes ONLY. (Please note: All You Can Play Pass for Both Golf Courses are not included in the promotion.)
- Multiple Punch Cards may be used purchases.
- This promotional Punch Card purchase transaction can only be made at the Championship Course Golf Shop (775) 832-1146 for Golf Passes, Incline Village Recreation Center - Parks & Rec Counter (775) 832-1310, and Incline Village Tennis Center (775) 832-1235 for Tennis Season Membership Passes.
- An example of savings: If you have two 2018/19 punch cards with a total of \$332 in remaining value, you may apply all \$332 of that remaining value and receive \$116.20 of value used towards the purchase of a Mountain Course All You Can Play Season Pass and Tennis Center Season Membership Pass. This promotion, limited to the Mountain Course and Tennis Center only, is an initiative to incentivize additional play. Please note: Passes are non-transferable.

EXHIBIT "B"

(f) Exceptions. Lots, parcels and areas of land used, or the portions thereof used, or intended to be used, for recreational (as more specifically described in NRS 318.143), or religious purposes; common areas appurtenant to a condominium or townhouse cluster; properties zoned GC, TC or PS, being commercial or light industrial, unless improved with a hotel, motel, multiple units or a single family dwelling; and publicly owned lands, are excepted and excluded from the charges imposed by subsections (a) through (e) of this section.

(g) Daily Passes - Guests. Only guests of a person entitled to beach privileges shall be admitted and daily passes for such guests may be obtained at the general office by the owner, lessee or renter upon presentation of his own pass and payment of one dollar (\$1.00) per daily pass. Children under six (6) years of age, accompanied by the holder of an adult pass, are included within the cost of the adult pass. Such children will be admitted if related to and residing with the pass holder.

(h) Governmental, Civic or Social Groups of Guests. Any group of persons which participates with Incline Village General Improvement District property owner groups, governmental, civic or social groups, in recreation or other community projects, may, upon application by the sponsoring group of Incline Village General Improvement District property owners and when approved as to the time and use of the Incline Village General Improvement District facilities, be granted beach or other privileges subject to the following conditions and upon payment of the sums set forth below.

(1) The sponsoring groups shall accept in writing total responsibility for their guests in their use of the Incline Village General Improvement District facilities.

(2) Approval of use shall be for each specific group as to time and the activity and shall be authorized in writing by the general manager at least ten days prior to the requested group activity.

(3) Such approval shall be granted only for such times as the group activity shall constitute minimal interference with the normal use of the facility.

(4) The sum which shall be paid by each group in advance of the use of the facilities shall be determined as follows:

<u>Number of Guests in Group</u>	<u>Amount of Payment Per Group</u>
10 or less	\$ 1.00
11 through 20	2.00
21 through 30	3.00
31 through 40	4.00
Above 40	\$4.00 plus \$1.00 for each additional increment of 10 or portion thereof.

(i) Jointly Held Residential Properties. If more than one family jointly owns a habitable residential property, any joint owner other than the designated property representative may acquire additional permanent annual

EXHIBIT "C"

(1) A parcel of unimproved and unsubdivided land zoned LDR or RE; and

(2) Any subdivided parcel zoned LDR, RE or GF, which consists of improved or unimproved single family parcels that have not yet been separately assessed by the County Assessor.

(e) Single Family Acreage Zoned GF. \$29.25 per annum for each acre and a pro rata thereof for each fraction of an acre, with a minimum charge of \$195.00, for a parcel of unimproved and unsubdivided acreage zoned GF.

(f) Hotel or Motel. \$97.50 per annum for each room or unit intended for occupancy by a person or persons as a single unit within a hotel or motel.

(g) Exceptions. Lots, parcels and areas of land used, or the portions thereof used, or intended to be used, for religious purposes; common areas appurtenant to a condominium or townhouse cluster; properties zoned GC, TC or PS, being commercial or light industrial, unless improved with a hotel, motel, multiple units or a single family dwelling; and publicly owned lands, are excepted and excluded from the charges imposed by subsections (a) through (f) of this section.

(h) Daily Passes - Guests. Each parcel which is charged a \$195.00 recreation assessment is entitled to three photo identification cards and five coupons, each of which has a \$5.00 value. The photo identification card is valid for free admission to the beaches, and qualifies cardholder to a reduced season pass rate at the golf courses, the ski area, and tennis courts. The photo identification card is non-transferable.

(1) One \$5.00 coupon may be exchanged for two daily adult guest passes or five daily children guest passes to the beaches. Each coupon is valid for a \$5.00 discount off full rate charge at the golf, the ski, and the tennis areas. Upon proper authorization, additional daily guest passes may be purchased at the Recreation Department for a charge of \$2.50 per adult and children under 18 years, \$1.00 each.

(1a) Properties Annexed After June 1, 1968. Properties annexed to the District after June 1, 1968, shall have the following annual charges:

(1) \$130.00 per annum for each parcel described in (a) and (b).

(2) \$650.00 per annum for each acre, and a pro rata thereof for each fraction of an acre for parcels described in (c) above.

(3) \$39.00 per annum for each acre and a pro rata thereof for each fraction of an acre, with a minimum charge of \$130.00, for parcels described in (d) above.

(4) \$65.00 per annum for each room or unit intended for occupancy by a person or persons as a single unit within a hotel or motel,

(5) Acreage zoned GF. \$19.50 per annum for each acre and a pro rata thereof for each fraction of an acre, with a minimum charge of \$130.00.

(6) Each parcel that is assessed the yearly recreation fee is entitled to receive three (3) photo I.D. cards and five (5) coupons.

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS JULY 22, 2020 REGULAR IVGID BOARD MEETING – AGENDA ITEM D – PUBLIC COMMENTS – MORE EVIDENCE OF DISTRICT WASTE AT LOCAL PARCEL OWNERS'/UTILITY RATE PAYORS' EXPENSE – THE UNREIMBURSED EXPENSE OF WRITTEN NORTH LAKE TAHOE FIRE PROTECTION DISTRICT (“NLTFPD”)/WASTE-MANAGEMENT (“W-M”) INSERTS STUFFED IN OUR UTILITY BILLS

Introduction: Did you notice the NLTFPD/W-M insert (“the insert”) in your latest water/sewer bill¹? This got me thinking. Why are we including promotional materials for third parties in our 4,200+ water/sewer bills², and what are these third parties paying us for this service on their behaves? The answers to these questions are the purposes of this written statement.

My e-Mail Public Records (“NPRA”) Request of June 26, 2020³: asked to examine the following records evidencing the anatomy of the insert/IVGID’s publication to its water/sewer utility customers:

1. NLTFPD's and W-M's requests directed to IVGID that IVGID include the (insert) in the latter’s latest IVGID utility bills;
2. IVGID's agreement to include the (insert) in its latest utility bills;
3. Any portion/all of the costs associated with...creation of this document which were paid by IVGID;
4. Any portion/all of the costs/added costs associated with the stuffing of this document in IVGID's utility bills which were paid/agreed to be paid by IVGID; and,
5. Any portion/all of the costs/added costs associated with the mailing of (the insert) in IVGID's utility bills which were paid/agreed to be paid by IVGID.”

Ms. Herron’s July 6, 2020 e-Mail Response to My NPRA Request³: As the reader can see, Ms. Herron provided five (5) sets of records including the insert¹ and declared “this completes your records request *in its entirety*.” Those records were:

1. Data Print’s June 22, 2020 invoice #84646 to IVGID in the sum of \$891.00⁴;
2. Data Print’s June 25, 2020 invoice #84663 to IVGID in the sum of \$1,863.70⁵;

¹ For those who may not have paid attention, a copy of that insert is attached as Exhibit “A” to this written statement.

² See June 3, 2020 e-mail from Madonna Dunbar to Tia Rancourt at 10:37 A.M. – part of Exhibit “F” (see below).

³ That request/response is part of an e-mail string between Susan Herron and me, which is collectively attached as Exhibit “B” to this written statement.

⁴ This invoice together with IVGID staff’s disingenuous allocation of expenses to IVGID’s water and solid waste utility sub-funds (on the rear) is attached as Exhibit “C” to this written statement.

3. IVGID's July 2, 2020 invoice to NLTFPD in the sum of \$297.22⁶;

4. Twenty-three (23) e-mails between Tia Rancourt from NLTFPD, Kendra Kostelecky from W-M, and Madonna Dunbar from IVGID addressing the insert, between May 28, 2020 and July 2, 2020⁷; and,

5. Four (4) e-mails between IVGID employees Samantha Kurashewich (Public Works Administration Manager) and Lori Pommerenck (Comptroller) addressing billing for the insert⁸.

My Follow Up e-Mail Clarification/Information Request of July 7, 2020³: After examining Ms. Herron's July 6, 2020 response to my initial NPRA request, I noticed several requested records had not been made available for my examination, and I had additional questions. As the reader can see, I did not want to jump to conclusions based upon the incomplete records which were provided. So to get the missing records/answers, I sent Ms. Herron a follow up e-mail. That e-mail pointed out deficiencies in Ms. Herron's response to my NPRA request, and again asked, in part, to examine records evidencing:

1. W-M's request(s) directed to IVGID that IVGID include the (insert) in the latter's latest IVGID utility bills;
2. Who created/laid out the insert, and the printing, stuffing and mailing costs associated with its creation; and,
3. Any billing(s) to W-M for printing of the insert, its insertion in IVGID's utility bills, and any portion of mailing costs IVGID incurred.

Given Ms. Herron is also IVGID's "Information Officer,"⁹ my follow up e-mail also asked for clarifying information concerning my request.

Ms. Herron's July 7, 2020 e-Mail Response to My Follow Up Request³: Ms. Herron responded that"

1. The insert was created by the NLTFPD. Therefore it was the NLTFPD which included the W-M information that it did;
2. Only the NLTFPD was charged for the insert costs, because only the NLTFPD made request it be included in IVGID's water/sewer bills; and,

⁵ This invoice together with IVGID staff's disingenuous allocation of expenses to IVGID's water and solid waste utility sub-funds (on the rear) is attached as Exhibit "D" to this written statement.

⁶ This invoice is attached as Exhibit "E" to this written statement.

⁷ These e-mails are collectively attached as Exhibit "F" to this written statement.

⁸ These e-mails are attached to the rear portion of Exhibits "C" and "D."

⁹ See ¶II of Resolution 1801 at pages 89-91 at https://www.yourtahoeplace.com/uploads/pdf-ivgid/IVGID_Policy_and_Procedure_Resolutions.pdf.

3. The \$297.22 billed to NLTFPD represented “all of the additional costs IVGID incurred for printing and inserting the (insert) for mailing (and)...there was not an increase to postage expenses for including the additional” insert.

How the \$297.22 Billed to NLTFPD Was Calculated: According to Ms. Herron, “the costs from Data Print...to print the (insert)...were \$283.50, and “the costs from Data Print...to insert the NLTFPD flyer” in IVGID’s water/sewer billing envelopes “were \$13.72.”³

How \$297.22 of the Combined \$2,754.70 Charged by Data Print Was Assigned to the District’s Financial Reporting System: Notwithstanding \$283.50 of the \$891 invoice from Data Print⁴ was billed to NLTFPD, the expense was assigned for financial reporting purposes to *W-M* solid waste¹⁰. We know this because the reader can see that the rear portion of Exhibit “C” assigns this amount to chart of account #200.27.380.7470 which according to IVGID’s “account structure”¹¹ corresponds to solid waste printing and publishing.

Similarly, notwithstanding \$13.72 of the \$1,863.70 invoice from Data Print⁵ was billed to NLTFPD, the expense was assigned to *W-M* solid waste. We know this because the reader can see that the rear portion of Exhibit “D” assigns this amount to chart of account #200.27.380.7470 which according to IVGID’s “account structure”¹¹ corresponds to solid waste printing and publishing.

No Portion of Postage Incurred by IVGID Was Billed to NLTFPD³: Almost comically, Public Works staff justify their actions because of the fact “there was not an increase to postage expenses for including the” insert¹².

No Portion of Staff Time Incurred by IVGID Associated With the Insert Was Billed to NLTFPD³:

Notwithstanding \$297.22 of the Expense Incurred With Data Print Was Assigned to Solid Waste, No Portion of the Costs Associated With the Insert Was Billed to W-M³:

Notwithstanding \$297.22 of the Expense Incurred With Data Print Was Assigned to Solid Waste, No Portion of the Costs Associated With IVGID Staff Time Associated With the Insert Was Billed to NLTFPD or W-M³:

Since IVGID’s Indirect Collaboration With W-M Insofar as the Insert is Concerned is in Violation of the Solid Waste Franchise’s¹³ “Public Information” and “General Public Outreach” Obligations, Why Are We Encouraging Violation? ¶5.6 of the solid waste franchise¹³ obligates W-M,

¹⁰ Another example of wrongly reporting financial transactions so that any subsequent audit will not reveal the truth. In my experience this happens over and over again.

¹¹ Go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/Account_Structure-All_Legend_7-1-19.pdf.

¹² See Ms. Herron’s July 7, 2020 e-mail response to me (part of Exhibit “B”).

¹³ Go to page 9 at https://www.yourtahoeplace.com/uploads/pdf-public-works/2016-10-01_Waste_Management_Franchise_Agreement_no_Exhibit_B.pdf.

at its expense, to “maintain and actively pursue public information programs” similar to the yard waste recycling services promoted in the insert. In addition, ¶5.7 of the solid waste franchise¹³ obligates W-M, at its expense, to a program of “general public outreach...(which) inform(s) customers and the general public of (W-M’s) services.” This outreach is supposed to “include quarterly...inserts (in W-M’s bills¹⁴, rather than IVGID water/sewer bills)...to keep customers informed.”

By using IVGID’s infrastructure, personnel and its mailing of water/sewer utility bills to satisfy W-M’s “public information” and “general public outreach” obligations under the solid waste franchise¹³, understand, again, that *we are financially supporting a favored third party’s (W-M’s) obligations and operational costs in addition to the rates we are obligated to pay under that franchise!* Thank you IVGID staff for your understanding and professionalism!

Because the NLTFPD and W-M Know They Can Easily Get IVGID Staff to Do Their Work at Our Expense, is it Any Surprise We See Initiating E-Mails Such as Those in Exhibit “F?” My only question is why didn’t we get our public relations firm, Tri-Strategies, to issue a press release touting the information in the insert in lieu? After all, isn’t that what being a community is all about?

The Hidden Cost of Unreimbursed Staff Time: On November 30, 2018 former general manager Steve Pinkerton told the Board and the public that since “the District’s CIP staff spends the vast majority of its time working on CIP projects, their staffing costs are allocated...based on the amount of time spent on (a) specific project.”¹⁵ So how much time did our crack public works staff spend on the insert? We know that IVGID employee Madonna Dunbar was a party to a minimum of twenty-three (23) e-mails pertaining in some way to the insert. We know that IVGID employees Samantha Kurashewich and Lori Pommerenck were parties to a minimum of four (4) or more additional e-mails pertaining to insert billings. We know that someone from IVGID had to create the invoice sent to NLTFPD. We don’t know how much additional time coordinating the insert’s printing and its stuffing into IVGID’s water/sewer billing envelopes. Whatever cost one wants to assign, and there was a cost, it was not reimbursed by either NLTFPD or W-M.

Bottom Line, We Lost Money Accommodating NLTFPD and W-M With Their Insert:

Conclusion: If our staff truly cared about the public’s costs associated with mailing out water/sewer utility bills, it either would not clutter them with third party inserts, or they would use inclusion of those inserts to offset our billing costs. But instead, staff see themselves as existing to sparse out all sorts of benefits to “favored collaborator” like NLTFPD and W-M at local parcel owners’/utility rate paying customers’ expense because “that’s what being a community is all about.”

¹⁴ ¶14.1 of the solid waste franchise¹³ obligates W-M to bill residential customers quarterly.

¹⁵ See page 184 of that packet of materials prepared by staff in anticipation of the Board’s December 12, 2018 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_12-12-18.pdf (“the 12/12/2018 Board packet”)].

And it's not just NLTFPD and W-M. There are literally hundreds of other episodes one could point to where favored third parties have used the public's resources at the public's expense for their own personal financial. What happened to the concept of "central services costs?" You remember, where the general fund must be reimbursed for the "central services" it allegedly delivers to our recreational and utility functions. Why isn't a similar cost assessed whenever some third party seeks some personal benefit from the public?

And to those asking why our Recreation ("RFF")/Beach ("BFF") Facility Fees/water/sewer rates are as high as they are, and never seem to go down, now you have more examples of some of the reasons why.

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

EXHIBIT "A"



Improve your property's defensible space and get yard waste recycled for FREE!

Residential Curbside Yard Waste Recycling Collection will be offered June 1—August 21 and September 30—October 25, 2020, courtesy of Waste Management.

Here's How:

- The end of May each residential customer in Incline Village/Crystal Bay, NV received an envelope containing 96 "Yard Waste Only" recycling stickers from Waste Management.
- Conduct your property cleanup by filling heavy duty bags (any color except blue) with vegetative yard waste.
- Securely close/tie the bags. Each bag cannot exceed 40 lbs.
- Attach one sticker to each bag.
- Place the stickered bags curbside on your regular service day during the designated timeframe, June 1—August 21 and September 30—October 25, 2020.
- If you need additional stickers, you can purchase them from Waste Management's Incline Village office at 1200 Sweetwater Road, Incline Village, NV 89451.



PREPARE FOR EVACUATION: Visit www.readywashoe.com to sign up for emergency alerts, then visit Tahoe.LivingWithFire.info to learn more about evacuation and defensible space.

DEFENSIBLE SPACE EVALUATIONS: Improve your Defensible Space and help prepare your home and neighborhood for wildfire by requesting a free defensible space evaluation.

CURBSIDE CHIPPING: Fire district hand crews will chip your curbside vegetation pile upon request. Please do not include pine needles, stumps, roots, garbage, nails or finished lumber. Branch diameter cannot exceed 6 inches and pile size cannot exceed 1000 cubic feet or (30'x6'x6').

Defensible Space Evaluations & Curbside Chipping programs begin Monday, June 1, 2020. To make an online request go to www.nltfpd.net, under Fuels Management tab go to Defensible Space.

Questions?

Please call

Waste Management

775-831-2971



Incline Village General Improvement District (IVGID) is including this as a public service announcement.

Five Steps to Create Defensible Space

North Lake Tahoe Fire Protection District

Defensible Space is the area between a house and an oncoming wildfire where the vegetation has been modified to reduce the wildfire threat. Defensible Space is simply a homeowner's properly maintained property. Use the information below as a guide. For more advice on defensible space, visit nltpd.net or tahoe.livingwithfire.info.

Step 1- Know Your Distance

The recommended distance of defensible space is different for all homes. The types of vegetation and terrain are key factors when deciding how far out to extend the Defensible Space Zone. Most properties need 100-200 feet of defensible space.

Step 2- Remove the Dead

Within the Defensible Space Zone, remove all dead vegetation including dying trees, shrubs, branches, grass, weeds, needles, and leaves. Remove fallen needles and leaves within 30 feet from the house every spring. Do not allow a depth of more than 3 inches of duff and needles beyond 30 feet from the house.

Step 3- Create Separation

Areas of dense vegetation pose significant wildfire threats. Shrubs and trees should be thinned out so they are no longer continuous. Separate shrubs by a distance that is twice their height. Tree spacing varies but typically should be separated by 10' between branches on average. Large trees (>14" in diameter at 4.5' from the ground) cannot be removed without a permit issued by NLTFPD or TRPA.

Step 4- Remove Ladder Fuels

Vegetation allowing fire to climb up from the forest floor to the canopy, are known as ladder fuels. Smaller vegetation such as shrubs and young trees should be cleared away from beneath larger trees.

Step 5- Lean, Clean, and Green

Remove fuels that ignite easily such as dead shrubs and trees, dried grass, pine needles, firewood, etc. Create a 5-foot noncombustible zone around the perimeter of your home, and keep your landscaping well-maintained.

Before:



After:

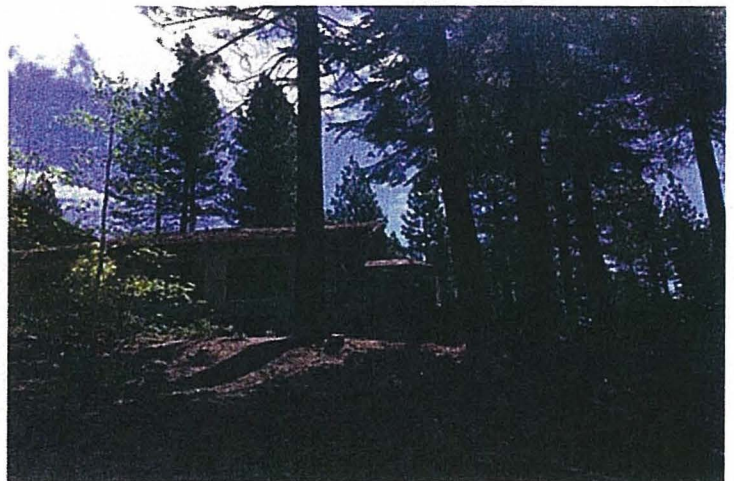


EXHIBIT "B"

RE: RE: Records Request - NLTFPD and Waste Management Public Service Announcements Inside IVGID Utility Customers' Bills - Follow Up

From: "Herron, Susan" <Susan_Herron@ivgid.org>
To: "s4s@ix.netcom.com"
Cc: "Winqest, Indra S." <ISW@ivgid.org>
Subject: RE: RE: Records Request - NLTFPD and Waste Management Public Service Announcements Inside IVGID Utility Customers' Bills - Follow Up
Date: Jul 7, 2020 6:30 PM

Dear Mr. Katz,

Please see the responses in red below from IVGID Staff:

First of all, the subject insert instructs re W-M residential curbside yard waste recycling in addition to NLTFPD defensible space. Furthermore, it includes W-M's logo and invites members of the public to contact W-M at 775-831-3971. Yet you have provided no documentation pertaining to W-M's request for creation of these materials, nor who laid them out on the insert, nor the printing, stuffing or mailing costs associated with its creation, nor billing to W-M therefore. I asked to examine all of these materials. Where are they?

Response: The flyer was created by NLTFPD. They included the information for the WM green waste program including their logo. We are only charging NLTFPD for the flyer costs since they requested the flyer insert.

Second of all, I want to make sure I understand correctly. The amount IVGID charged the NLTFPD for creating, printing, stuffing and mailing 4,000 copies of the insert was \$297.22. Correct? If not, how much was NLTFPD charged and where is the documentation which evidences the same?

Response: The invoice to NLTFPD in the amount of \$297.22 covers all of the additional costs for printing and inserting the flyer for mailing. The other costs cover the IVGID expenses for printing of statements, the Consumer Confidence Report and postage. There was not an increase to postage expenses for including the additional flyer.

Third of all, the amount IVGID charged W-M for all of the above, was ZERO. Correct?

Response: See the response to the first question – NLTFPD created the flyer and was charged for the flyer.

Yet what were IVGID's out-of-pocket costs? All of Data Print invoice 84646 for \$891, correct? If not correct, what portion of this invoice reflects costs for services performed with respect to the insert?

In addition, what part of Data Print invoice 84663 for \$1,863.70? This invoice details additional insert work.

Response: The costs from DataPrint on invoice # 84646 were \$283.50 to print the NLTFPD flyer. The costs from DataPrint on invoice # 84663 were \$13.72 to insert the NLTFPD flyer.

Susan

From: s4s@ix.netcom.com [mailto:s4s@ix.netcom.com]
Sent: Tuesday, July 7, 2020 9:07 AM
To: Herron, Susan <Susan_Herron@ivgid.org>
Cc: Winqest, Indra S. <ISW@ivgid.org>
Subject: RE: RE: Records Request - NLTFPD and Waste Management Public Service Announcements Inside IVGID Utility Customers' Bills - Follow Up

Thank you.

I will wait.

-----Original Message-----
From: "Herron, Susan"

Sent: Jul 7, 2020 8:50 AM
To: "s4s@ix.netcom.com"
Cc: "Winquest, Indra S."
Subject: RE: RE: Records Request - NLTFPD and Waste Management Public Service Announcements Inside IVGID Utility Customers' Bills - Follow Up

Dear Mr. Katz,

I am checking with our Public Works Staff on your questions. One member that I am checking with is out on vacation this week so please be patient as your response probably will occur next week at the soonest.

Susan

From: s4s@ix.netcom.com [mailto:s4s@ix.netcom.com]
Sent: Tuesday, July 7, 2020 7:57 AM
To: Herron, Susan <Susan_Herron@ivgid.org>
Cc: Winquest, Indra S. <ISW@ivgid.org>
Subject: Fw: RE: Records Request - NLTFPD and Waste Management Public Service Announcements Inside IVGID Utility Customers' Bills - Follow Up

Thank you for your response Ms. Herron:

First of all, the subject insert instructs re W-M residential curbside yard waste recycling in addition to NLTFPD defensible space. Furthermore, it includes W-M's logo and invites members of the public to contact W-M at 775-831-3971. Yet you have provided no documentation pertaining to W-M's request for creation of these materials, nor who laid them out on the insert, nor the printing, stuffing or mailing costs associated with its creation, nor billing to W-M therefore. I asked to examine all of these materials. Where are they?

Second of all, I want to make sure I understand correctly. The amount IVGID charged the NLTFPD for creating, printing, stuffing and mailing 4,000 copies of the insert was \$297.22. Correct? If not, how much was NLTFPD charged and where is the documentation which evidences the same?

Third of all, the amount IVGID charged W-M for all of the above, was ZERO. Correct?

Yet what were IVGID's out-of-pocket costs? All of Data Print invoice 84646 for \$891, correct? If not correct, what portion of this invoice reflects costs for services performed with respect to the insert?

In addition, what part of Data Print invoice 84663 for \$1,863.70? This invoice details additional insert work.

I don't want to jump to conclusions but if you refuse to clarify/produce all the records requested so the public can learn this information for itself, you leave me no alternative. And then staff will be the cause of mis-information. So please clarify (this explains why I am sending Indra a copy of these requests).

Thank you for your cooperation. Aaron Katz

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

>From: "Herron, Susan"
>Sent: Jul 6, 2020 6:14 PM
>To: "s4s@ix.netcom.com"
>Cc: "Winquest, Indra S."
>Subject: RE: Records Request - NLTFPD and Waste Management Public Service Announcements Inside IVGID Utility Customers' Bills

>
>Dear Mr. Katz,
>
>This e-mail shall serve as IVGID's response to your records request dated June 26, 2020 which reads as follows:
>
>1. NLTFPD's and W-M's requests of IVGID that it include the document in the latest IVGID utility billing; 2. IVGID's agreement to include the document in the latest IVGID utility billing; 3. Any portion/all of the costs associated with the creation of this document paid by IVGID; 4. Any portion/all of the costs/added costs associated with the stuffing of this document in IVGID's utility billings which were paid/agreed to be paid by IVGID; 5. Any

> portion/all of the costs/added costs associated with the mailing of this document in IVGID's utility billings which were paid/agreed to be paid by IVGID.

>
>There are five documents attached in response to your request; this completes your records request in its entirety.

>
>Susan

>-----Original Message-----

>From: s4s@ix.netcom.com [mailto:s4s@ix.netcom.com]

>Sent: Friday, June 26, 2020 5:10 PM

>To: Herron, Susan

>Cc: Winquest, Indra S.

>Subject: Records Request - NLTFPD and Waste Management Public Service Announcements Inside IVGID Utility Customers' Bills

>
>Hello Ms. Herron -

>
>Another records request

>
>In our latest IVGID utility bill there is a two sided document IVGID declares has been "included as a public service announcement." 1-2/3 sides of the announcement highlight NLTFPD defensible space. The remainder highlights Waste Management yard waste matters.

>
>With respect to this document I would like to examine records which evidence:

- >1. NLTFPD's and W-M's requests of IVGID that it include the document in the latest IVGID utility billing;
- >2. IVGID's agreement to include the document in the latest IVGID utility billing;
- >3. Any portion/all of the costs associated with the creation of this document paid by IVGID;
- >4. Any portion/all of the costs/added costs associated with the stuffing of this document in IVGID's utility billings which were paid/agreed to be paid by IVGID;
- >5. Any portion/all of the costs/added costs associated with the mailing of this document in IVGID's utility billings which were paid/agreed to be paid by IVGID.

>
>Thank you for your cooperation. Aaron Katz

EXHIBIT "C"

DataPrint Services LLC

5201 Venice Ave NE Ste E
Albuquerque, NM 87113-2337

Voice: (505) 821-8000
Fax: (877) 883-3202
ap@dataprintllc.com

INVOICE

Invoice Number: **84646**

Invoice Date: Jun 22, 2020

Amount Due: **891.00**


Remit to:

INCLINE VILLAGE GEN IMPROVE DIST
893 SOUTHWOOD BLVD
INCLINE VILLAGE, NV 89451

DataPrint Services, LLC
5201 Venice Ave NE Ste E
Albuquerque NM 87113-2337

Please return this portion with your payment, or write the invoice number(s) on your check

Customer PO	Payment Terms	Invoice Number	Due Date
	Net 15 Days	84646	7/7/20

Quantity	Item	Description	Unit Price	Amount
		DEFENSIBLE & CCR INSERT #84646 		
9,000.00		LASER PRINTING	0.07500	675.00
4,500.00	10043	11 x 17 24# White Offset	0.03000	135.00
3,000.00		FOLD INSERT & CCR	0.02250	67.50
3,000.00		TRIM NEWSLETTER	0.00450	13.50

Subtotal	891.00
Sales Tax	
Total Invoice Amount	891.00
Payment/Credit Applied	
TOTAL	891.00

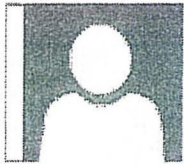
Check/Credit Memo No:



Visit our new website at
dataprintllc.com

We will add finance charges on invoices more than 30 days overdue.
Want future invoices emailed? Send a request to ap@dataprintllc.com.

DataPrint
Services LLC



Tue 6/30/2020 8:32 AM

Kurashewich, Samantha M.

RE: Emailing: DataPint 84646 \$891.00 Kurashewich 6.22.2020

To invoices

Hi Claudia and Lori-

This DataPrint invoice # 84646 is OK to Pay in the amount of \$891.00 per the following breakdown:

- \$607.50 with account number 200.22.970.7330 - water, shared expenses, contractual services
- \$283.50 with account number 200.27.380.7470 - solid waste, solid waste, printing/publishing

Thanks and I hope you have a good day!

Samantha Kurashewich, CPPB
 Public Works Administrative Manager
 Incline Village General Improvement District
 1220 Sweetwater Road, Incline Village NV 89451
 P: 775-832-1337
 F: 775-832-1260
smk@ivgid.org
www.ivgidpublicworks.org

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

From: Pommerenck, Lori A. <lap2@ivgid.org> On Behalf Of invoices
 Sent: Saturday, June 27, 2020 10:47 AM
 To: Kurashewich, Samantha M. <Samantha.Kurashewich@ivgid.org>
 Subject: Emailing: DataPint 84646 \$891.00 Kurashewich 6.22.2020

We are in receipt of an invoice that needs your approval. Please provide "OK" to pay and account to be charged.

Send back for payment processing.

If you have any questions do not hesitate to contact me.

Thanking you in advance for your help on this request.

EXHIBIT "D"

DataPrint Services LLC

5201 Venice Ave NE Ste E
Albuquerque, NM 87113-2337

Voice: (505) 821-8000

Fax: (877) 883-3202

ap@dataprintllc.com

INVOICE

Invoice Number: **84663**

Invoice Date: Jun 25, 2020

Amount Due: **1,863.70**

Remit to:

INCLINE VILLAGE GEN IMPROVE DIST
893 SOUTHWOOD BLVD
INCLINE VILLAGE, NV 89451

DataPrint Services, LLC
5201 Venice Ave NE Ste E
Albuquerque NM 87113-2337

Please return this portion with your payment, or write the invoice number(s) on your check

Customer PO	Payment Terms	Invoice Number	Due Date
	Net 15 Days	84663	7/10/20

Quantity	Item	Description	Unit Price	Amount
		UTILITY STATEMENTS #84663		
1.00		LASER SET UP	25.00000	25.00
4,573.00		POSTAL OPTIMIZATION	0.01000	45.73
3,069.00		LASER PRINTING	0.08100	248.59
1,538.00	10120	11 x 17 24# whi 3.5" Preperf	0.03360	51.68
1.00		SELECTIVE INSERT SET UP	50.00000	50.00
2,736.00		INSERTING	0.02500	68.40
5,486.00		2 ADDITIONAL INSERTS	0.00500	27.43
2,743.00		MAIL SERVICES	0.03500	96.01
7.00		HAND INSERT / GEN GRP	0.10000	0.70
2,736.00	20016	#10 24# WW Double Window	0.02750	75.24
1,549.00	20020	#9 24# WW Special Window	0.02700	41.82
7.00	20050	9 x 12 White Catalog Envelope W/ Window	0.21000	1.47
		POSTAGE USED		1,131.63

Subtotal	1,863.70
Sales Tax	
Total Invoice Amount	1,863.70
Payment/Credit Applied	
TOTAL	1,863.70

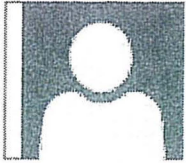
Check/Credit Memo No:

We will add finance charges on invoices more than 30 days overdue.
Want future invoices emailed? Send a request to ap@dataprintllc.com.



Visit our new website at
dataprintllc.com

DataPrint
Services LLC



Tue 6/30/2020 8:30 AM

Kurashewich, Samantha M.

RE: Emailing: DataPint 84663 41863.70 Kurashewich 6.25.2020

To invoices

Hi Claudia and Lori-

This DataPrint invoice # 84663 is OK to Pay in the amount of \$1,863.70 per the following breakdown:

- \$1,131.63 with account number 200.22.970.7460 - water, shared expenses, printing/publishing
- \$718.35 with account number 200.22.970.7330 - water, shared expenses, contractual services
- \$13.72 with account number 200.27.380.7470 - solid waste, solid waste, printing/publishing

Thanks and I hope you have a good morning!

Samantha Kurashewich, CPPB
 Public Works Administrative Manager
 Incline Village General Improvement District
 1220 Sweetwater Road, Incline Village NV 89451
 P: 775-832-1337
 F: 775-832-1260
smk@ivgid.org
www.ivgidpublicworks.org

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

From: Pommerenck, Lori A. <lap2@ivgid.org> On Behalf Of invoices
 Sent: Saturday, June 27, 2020 10:46 AM
 To: Kurashewich, Samantha M. <Samantha_Kurashewich@ivgid.org>
 Subject: Emailing: DataPint 84663 41863.70 Kurashewich 6.25.2020

We are in receipt of an invoice that needs your approval. Please provide "OK" to pay and account to be charged.

Send back for payment processing.

If you have any questions do not hesitate to contact me.

Thanking you in advance for your help on this request.

EXHIBIT "E"



N/A
 Account #
\$297.22
 Payment Due

PUBLIC WORKS DEPARTMENT
 1220 SWEETWATER ROAD
 INCLINE VILLAGE NV 89451-9214

INVOICE

Date: 7/2/20

Account#: N/A

Customer Information:

Name NLTFPD

Address _____

City _____ State _____ Zip _____

Service Address:

Date	Description	Total
7/2/20	June Billing Insert	\$297.22
Total:		\$297.22

EXHIBIT "F"

From: [Tia Rancourt](#)
To: [Kurashewich, Samantha M.](#)
Cc: [Dunbar, Madonna](#); [Pomroy, Joe](#)
Subject: RE: 2020 Chipping Flyer
Date: Thursday, July 02, 2020 11:43:30 AM

Thank you Samantha and all once again for the opportunity!
I will put in the AP hopper!

Have a happy and safe July 4th



Tia Rancourt
Public Education/Information Officer
Office: [775.833.8106](tel:775.833.8106) | Cell: [775.813.8106](tel:775.813.8106)
Email: trancourt@nltfpd.net
[866 Oriole Way | Incline Village | NV 89451](#)



From: Kurashewich, Samantha M. <Samantha_Kurashewich@ivgid.org>
Sent: Thursday, July 2, 2020 11:15 AM
To: Tia Rancourt <TRancourt@nltfpd.net>
Cc: Dunbar, Madonna <madonna_dunbar@ivgid.org>; Pomroy, Joe <Joe_Pomroy@ivgid.org>
Subject: RE: 2020 Chipping Flyer

Hi Tia-

Attached is the invoice for the Defensible Space Flyer we sent with the June 2020 statements.

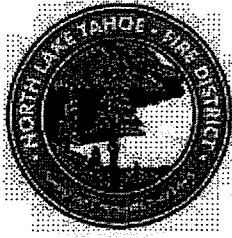
Thanks and I hope you have a good 4th. Stay safe and well!

Samantha Kurashewich, CPPB

Public Works Administrative Manager
Incline Village General Improvement District
1220 Sweetwater Road, Incline Village NV 89451
P: 775-832-1337
F: 775-832-1260
smk@ivgid.org
www.ivgidpublicworks.org

From: Tia Rancourt <TRancourt@nltfpd.net>
Sent: Friday, June 05, 2020 3:58 PM
To: Dunbar, Madonna <madonna_dunbar@ivgid.org>
Cc: Kurashewich, Samantha M. <Samantha_Kurashewich@ivgid.org>
Subject: RE: 2020 Chipping Flyer

Thank you M!!



Tia Rancourt
Public Education/Information Officer
Office: [775.833.8106](tel:775.833.8106) | Cell: [775.813.8106](tel:775.813.8106)
Email: trancourt@nltfpd.net
[866 Oriole Way | Incline Village | NV 89451](https://www.nltfpd.net)



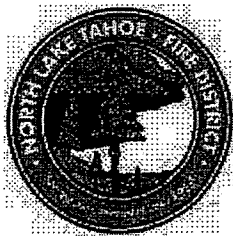
From: Dunbar, Madonna <madonna_dunbar@ivgid.org>
Sent: Friday, June 5, 2020 3:30 PM
To: Tia Rancourt <TRancourt@nltfpd.net>
Cc: Kurashewich, Samantha M. <Samantha_Kurashewich@ivgid.org>
Subject: RE: 2020 Chipping Flyer

Yes, looks good

From: Tia Rancourt [<mailto:TRancourt@nltfpd.net>]
Sent: Friday, June 5, 2020 2:50 PM
To: Dunbar, Madonna <madonna_dunbar@ivgid.org>
Cc: Kurashewich, Samantha M. <Samantha_Kurashewich@ivgid.org>
Subject: RE: 2020 Chipping Flyer

Just checking in...all info look correct?

Thank you,



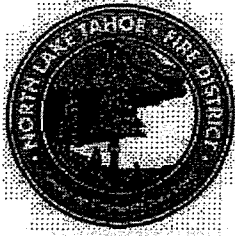
Tia Rancourt
Public Education/Information Officer
Office: [775.833.8106](tel:775.833.8106) | Cell: [775.813.8106](tel:775.813.8106)
Email: trancourt@nltfpd.net
[866 Oriole Way | Incline Village | NV 89451](https://www.nltfpd.net)



From: Tia Rancourt
Sent: Wednesday, June 3, 2020 11:01 AM
To: Dunbar, Madonna <madonna_dunbar@ivgid.org>
Cc: Kurashewich, Samantha M. <Samantha_Kurashewich@ivgid.org>
Subject: RE: 2020 Chipping Flyer

Yes we would like to insert our Chipping flyer to the IVGID utility June billing statement. Madonna, will you please proof the left column/WM information. If you approve then we are good to go!

Thank you,



Tia Rancourt
Public Education/Information Officer
Office: [775.833.8106](tel:775.833.8106) | Cell: [775.813.8106](tel:775.813.8106)
Email: trancourt@nltfpd.net
[866 Oriole Way | Incline Village | NV 89451](https://www.nltfpd.net/866-Oriole-Way-Incline-Village-NV-89451)

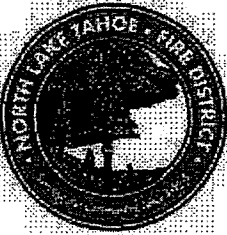


From: Dunbar, Madonna <madonna_dunbar@ivgid.org>
Sent: Wednesday, June 3, 2020 10:40 AM
To: Tia Rancourt <TRancourt@nltfpd.net>
Cc: Kurashewich, Samantha M. <Samantha_Kurashewich@ivgid.org>
Subject: RE: 2020 Chipping Flyer

OK - Sam K actually will finalize details on publication. – M

From: Tia Rancourt [<mailto:TRancourt@nltfpd.net>]
Sent: Wednesday, June 3, 2020 10:38 AM
To: Dunbar, Madonna <madonna_dunbar@ivgid.org>
Subject: RE: 2020 Chipping Flyer

Thank you M, asking approval now and will get back with you asap.



Tia Rancourt
Public Education/Information Officer
Office: [775.833.8106](tel:775.833.8106) | Cell: [775.813.8106](tel:775.813.8106)
Email: trancourt@nltfpd.net
[866 Oriole Way | Incline Village | NV 89451](https://www.nltfpd.net/866-Oriole-Way-Incline-Village-NV-89451)



From: Dunbar, Madonna <madonna_dunbar@ivgid.org>
Sent: Wednesday, June 3, 2020 10:37 AM

To: Tia Rancourt <TRancourt@nltfpd.net>

Subject: RE: 2020 Chipping Flyer

4200 customers get the mailing.

From: Tia Rancourt [<mailto:TRancourt@nltfpd.net>]

Sent: Wednesday, June 3, 2020 10:32 AM

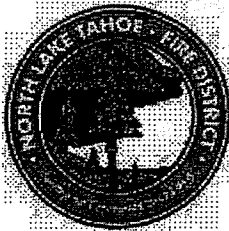
To: Dunbar, Madonna <madonna_dunbar@ivgid.org>

Subject: RE: 2020 Chipping Flyer

Madonna,

Yes most likely, let me get an approval.

How many homes does it go to (approx.). I looked at last years bill, didn't say distribution/just cost \$320.



Tia Rancourt

Public Education/Information Officer

Office: [775.833.8106](tel:775.833.8106) | Cell: [775.813.8106](tel:775.813.8106)

Email: trancourt@nltfpd.net

[866 Oriole Way | Incline Village | NV 89451](#)



From: Dunbar, Madonna <madonna_dunbar@ivgid.org>

Sent: Wednesday, June 3, 2020 10:25 AM

To: Tia Rancourt <TRancourt@nltfpd.net>; Kurashewich, Samantha M.

<Samantha_Kurashewich@ivgid.org>

Cc: Kostelecky, Kendra <kkoste@wm.com>

Subject: RE: 2020 Chipping Flyer

Tia- Do you want this included in the IVGID utility billing mailing as an additional insert? Our June issue is already a double issue (CCR- annual water quality report). But we have added it in the past... LMK. – Madonna

From: Tia Rancourt [<mailto:TRancourt@nltfpd.net>]

Sent: Tuesday, June 2, 2020 3:17 PM

To: Kostelecky, Kendra <kkoste@wm.com>; Dunbar, Madonna <madonna_dunbar@ivgid.org>

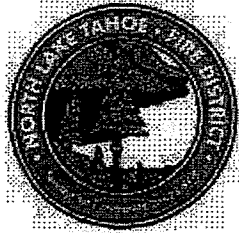
Subject: RE: 2020 Chipping Flyer

Me too Kendra!

Madonna, when you have a chance, please review one last time as well and let me know if we're

good to go!

Cheers,



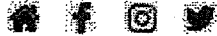
Tia Rancourt

Public Education/Information Officer

Office: [775.833.8106](tel:775.833.8106) | Cell: [775.813.8106](tel:775.813.8106)

Email: trancourt@nltfpd.net

[866 Oriole Way | Incline Village | NV 89451](#)



From: Kostelecky, Kendra <kkostele@wm.com>

Sent: Tuesday, June 2, 2020 2:07 PM

To: Tia Rancourt <TRancourt@nltfpd.net>; Madonna Dunbar (madonna_dunbar@ivgid.org) <madonna_dunbar@ivgid.org>

Subject: RE: 2020 Chipping Flyer

OooooH good catch on the 2019. I totally missed that.

Thanks Tia!

Kendra Kostelecky

Northern Nevada PSS Manager

kkostele@wm.com

Waste Management

100 Vassar Street

Reno, NV 89502

Office 775 326-2330

Mobile 775 384-4238

P.S. Have you tried the **MY WM** Mobile App yet?

Check your recycling day, keep tabs on your truck, manage services and more.

Available for Apple and Android.

<https://bit.ly/35TEzYT>

From: Tia Rancourt <TRancourt@nltfpd.net>

Sent: Tuesday, June 2, 2020 1:47 PM

To: Kostelecky, Kendra <kkostele@wm.com>; Madonna Dunbar (madonna_dunbar@ivgid.org) <madonna_dunbar@ivgid.org>

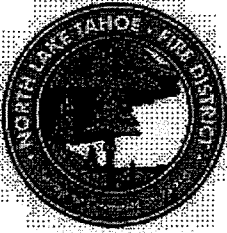
Subject: [EXTERNAL] RE: 2020 Chipping Flyer

Ok third time is a charm... changed 'recycling' to 'regular' and also changed

- 1st bullet point I made it past tense 'received an envelope'...

- 5th bullet point still had 2019, it's now 2020

Hoping this is it!



Tia Rancourt
Public Education/Information Officer
Office: [775.833.8106](tel:775.833.8106) | Cell: [775.813.8106](tel:775.813.8106)
Email: trancourt@nltfpd.net
[866 Oriole Way | Incline Village | NV 89451](https://www.nltfpd.net)



From: Kostelecky, Kendra <kkoste@wm.com>
Sent: Tuesday, June 2, 2020 12:59 PM
To: Tia Rancourt <TRancourt@nltfpd.net>; Madonna Dunbar (madonna_dunbar@ivgid.org)
<madonna_dunbar@ivgid.org>
Subject: RE: 2020 Chipping Flyer

Looks great!

I would suggest changing place curbside on your "recycling" service day to "regular" service day since that is both their trash and recycling collection day.

But it works for me.

Thank you

Kendra Kostelecky
Northern Nevada PSS Manager
kkoste@wm.com

Waste Management
100 Vassar Street
Reno, NV 89502
Office 775 326-2330
Mobile 775 384-4238

P.S. Have you tried the **MY WM** Mobile App yet?
Check your recycling day, keep tabs on your truck, manage services and more.
Available for Apple and Android.
<https://bit.ly/35TEzYT>

From: Tia Rancourt <TRancourt@nltfpd.net>

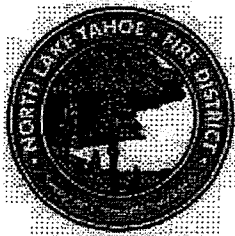
Sent: Tuesday, June 2, 2020 12:50 PM

To: Kostelecky, Kendra <kkostele@wm.com>; Madonna Dunbar (madonna_dunbar@ivgid.org) <madonna_dunbar@ivgid.org>

Subject: [EXTERNAL] RE: 2020 Chipping Flyer

Kendra & Madonna,

Better?



Tia Rancourt

Public Education/Information Officer

Office: [775.833.8106](tel:775.833.8106) | Cell: [775.813.8106](tel:775.813.8106)

Email: trancourt@nltfpd.net

[866 Oriole Way | Incline Village | NV 89451](#)



From: Kostelecky, Kendra <kkostele@wm.com>

Sent: Tuesday, June 2, 2020 12:15 PM

To: Tia Rancourt <TRancourt@nltfpd.net>

Subject: RE: 2020 Chipping Flyer

Hi Tia,

This looks great.

Yes 96 stickers were mailed to each resident at the end of May.

One edit suggestion since recycling is collected every week in Incline Village – we don't create recycling calendars for them.

- Place the stickered bags curbside on regular collection day during the designated timeframe, June 1—August 21 and September 30—October 25, 2019. If needed, call Waste Management for recycling calendar [775-831-2971](tel:775-831-2971).

Thank you!

Kendra Kostelecky
Northern Nevada PSS Manager
kkostele@wm.com

Waste Management
100 Vassar Street

Reno, NV 89502
Office 775 326-2330
Mobile 775 384-4238

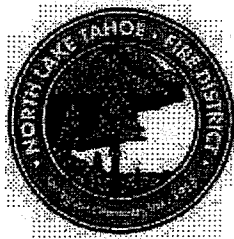
P.S. Have you tried the **MY WM** Mobile App yet?
Check your recycling day, keep tabs on your truck, manage services and more.
Available for Apple and Android.
<https://bit.ly/35TEzYT>

From: Tia Rancourt <TRancourt@nltpd.net>
Sent: Tuesday, June 2, 2020 12:05 PM
To: Kostelecky, Kendra <kkoste@wm.com>
Subject: [EXTERNAL] FW: 2020 Chipping Flyer

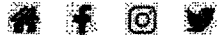
Hi Kendra,

I just got your email with the new dates, thank you so much!
I sent this to Madonna this morning for her review. Would you mind taking a look as well to ensure dates are correct and I think the labels were sent out end of May and are there 96?

Cheers,



Tia Rancourt
Public Education/Information Officer
Office: [775.833.8106](tel:775.833.8106) | Cell: [775.813.8106](tel:775.813.8106)
Email: trancourt@nltpd.net
[866 Oriole Way | Incline Village | NV 89451](https://www.nltpd.net/866-Oriole-Way-Incline-Village-NV-89451)

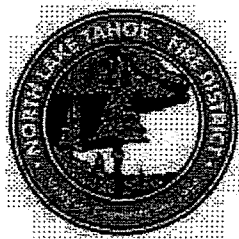


From: Tia Rancourt
Sent: Tuesday, June 2, 2020 9:45 AM
To: Dunbar, Madonna <madonna_dunbar@ivgid.org>
Subject: RE: 2020 Chipping Flyer

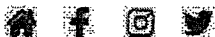
Madonna,

Please review with updated info (dates, confirming end of May stickers went out, are folks still receiving 96 stickers?) in left column and let me know if all accurate. I'll send out and post to our social media as soon as I hear back from you.

Thank you, T



Tia Rancourt
Public Education/Information Officer
Office: [775.833.8106](tel:775.833.8106) | Cell: [775.813.8106](tel:775.813.8106)
Email: trancourt@nltpfd.net
[866 Oriole Way | Incline Village | NV 89451](#)



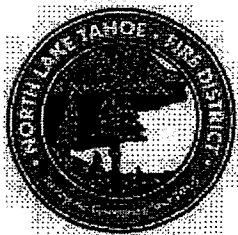
From: Dunbar, Madonna <madonna_dunbar@ivgid.org>
Sent: Monday, June 1, 2020 1:48 PM
To: Tia Rancourt <TRancourt@nltpfd.net>
Subject: RE: 2020 Chipping Flyer

session 1 WILL RUN NOW UNTIL Aug. 21. session 2 REMAINS THE SAME. – MADONNA

From: Tia Rancourt [<mailto:TRancourt@nltpfd.net>]
Sent: Thursday, May 28, 2020 4:45 PM
To: Dunbar, Madonna <madonna_dunbar@ivgid.org>
Cc: Kostelecky, Kendra <kkostele@wm.com>
Subject: RE: 2020 Chipping Flyer

Ok, thank you Madonna – do you have any idea of when you think you’ll get that info? Best guess? Just trying to figure out if I should wait or move forward without it ;(which I’d rather not do...

Cheers, T



Tia Rancourt
Public Education/Information Officer
Office: [775.833.8106](tel:775.833.8106) | Cell: [775.813.8106](tel:775.813.8106)
Email: trancourt@nltpfd.net
[866 Oriole Way | Incline Village | NV 89451](#)



From: Dunbar, Madonna <madonna_dunbar@ivgid.org>
Sent: Thursday, May 28, 2020 4:25 PM
To: Tia Rancourt <TRancourt@nltpfd.net>
Cc: Kostelecky, Kendra <kkostele@wm.com>
Subject: RE: 2020 Chipping Flyer

I don't have the new dates. (Waiting on that info.) They will start collecting June 1.

From: Tia Rancourt [<mailto:TRancourt@nltfpd.net>]
Sent: Thursday, May 28, 2020 4:18 PM
To: Dunbar, Madonna <madonna_dunbar@ivgid.org>
Cc: Isaac Powning <IPowning@nltfpd.net>
Subject: 2020 Chipping Flyer

Hi Madonna,

Checking in to see if you have updated WM dates yet that we can replace in our flyer.
We would like to send out and post as soon as possible

Thank you,



Tia Rancourt
Public Education/Information Officer
Office: [775.833.8106](tel:775.833.8106) | Cell: [775.813.8106](tel:775.813.8106)
Email: trancourt@nltfpd.net
[866 Oriole Way](http://866.OrioleWay.com) | Incline Village | NV 89451



Recycling is a good thing. Please recycle any printed emails.

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS JULY 22, 2020 REGULAR IVGID BOARD ("BOARD") MEETING – AGENDA ITEM D – PUBLIC COMMENTS – NOW THAT IVGID'S MARKETING MANAGER HAS SHARED HIS METRICS FOR CALCULATING THE COST-BENEFIT TO PLACING \$425,000+ ANNUALLY OF MEDIA ADVERTISING WITH EXL MEDIA, IT'S CRYSTAL CLEAR NOT ONLY IS IT TIME TO END OUR MEDIA BUYING CONTRACT WITH EXL MEDIA, IT'S TIME TO DISBAND OUR WORTHLESS MARKETING DEPARTMENT ALTOGETHER

Introduction: At the IVGID Board's June 23, 2020 meeting I submitted a written statement I asked be attached to the minutes of that meeting wherein I again objected to staff's wasteful media buying service contract with EXL Media, and our equally wasteful Marketing Department¹. At that meeting IVGID's Marketing Manager, Paul Raymore, proffered testimony supporting his view of the value of that contract. In part, Mr. Raymore testified that based upon "customer survey(s)...(which) ask(ed responders)...how they heard about Diamond Peak and what influenced them to...come to (Diamond Peak he concluded that)...the total revenue attributable to (all) paid advertising programs was \$3.9 million...and the total profit attributable to all those programs was \$1.3 million."²

As a result of this testimony, the very next day (June 24, 2020), I sent our Public Records Officer ("PRO"), Susan Herron, a public records ("NPR") request asking to examine "the surveys...relied upon by Mr. Raymore...and (his)...return on investment ("ROI")/cost-benefit conclusions." Since I have now received those surveys/conclusions, and I told the Board I would share the same with members once received, their content is attached and it's the purpose of this written statement.

To Refresh the Reader's Recollection, Mr. Raymore's June 23, 2020 Testimony to the Board and the Public: in response to the question "how the Board and the public know that staff's expenditures with EXL Media are worth the cost," was as follows:

¹ See pages 279-292 of the packet of materials submitted by staff in anticipation of this July 22, 2020 Board meeting [https://www.yourtahoepalace.com/uploads/pdf-ivgid/0722_-_Searchable.pdf ("the 7/22/2020 Board packet")].

² The IVGID Board livestreams its public meetings (<https://livestream.com/accounts/3411104>). The portion of the livestream of this June 23, 2020 meeting ["the 6/23/2020 livestream" (<https://livestream.com/ivgid/events/9186678/videos/207841724>)] where the quote language appears is 6:31:39-6:34:16 of the 6/23/2020 livestream.

"We take...customer survey(s)...(which) ask (responders)...how they heard about Diamond Peak and what influenced them to...come to the resort... They have all sorts of (answering) options. Everything from word of mouth, to billboard ads, to internet ads, to e-mails...social media...online review sites...print ads, television, radio (an) things like recommendations from the Hyatt...(We) take those number...and percentage...(answers and) multiply them by the average yield for skier visit...the profit per skier visit and (then) try to...come up with a ROI analysis...by...marketing channel...So for example...for this past ski season...the total revenue attributable to (all) paid advertising programs was \$3.9 million...And the total profit attributable to all those programs was \$1.3 million...Billboards for example spent \$76,795 cash (and) trade value combined...The total revenue attributable to those billboards was about \$638,000 (and)...profit (was) approximately \$206,000."

My June 24, 2020 NPRA Request: asked to examine "the surveys allegedly relied upon by Mr. Raymore...and...the ROI conclusions reached...as a result;" and, "if Mr. Raymore or anyone else on his behalf (had) prepared summary reports speaking to this ROI either for staff or EXL Media purposes, during the time period in question, I (asked)...to examine those reports."³

Ms. Herron's July 13, 2020 Response to My NPRA Request³: As the reader can see, Ms. Herron provided copies of "the metrics used by Staff and cited during the presentation to the Board regarding (expenditures with) EXL Media," as well as Mr. Raymore's ROI/cost-benefit analysis of those metrics, and then announced "this completes your records request" in its entirety. The relevant metrics used by staff regarding expenditures with EXL Media are attached as Exhibit "B" to this written statement. Mr. Raymore's ROI analysis of those metrics is attached as Exhibit "C" to this written statement.

The Relevant Metrics Used by Staff to Justify the Alleged Cost-Benefit With EXL Media: In the world of advertising, "Marketing Metrics are a key indicator of how well your marketing efforts for your individual product or service are delivering...(They) are a means to analyze your effort vs. results in a qualitative and quantitative way enabling you to make decisions for improving productivity as well as profitability."⁴ In this instance, Mr. Raymore misrepresented to the Board and the public that he had in fact measured the additional revenue generated as a result of EXL Media buys, which would not have otherwise been generated but for the media advertising placed by EXL Media. And as a result, he testified that in his opinion the District's media buys were hugely beneficial.

But a closer inspection of the "metrics" used by staff reveal they were based upon the answers of paltry 382 responders. Moreover, the particulars of those metrics reveal that 259 [MORE than ⅔

³ The complete e-mail string on this subject between Ms. Herron and me, which includes my June 24, 2020 NPRA request and Ms. Herron's response, is attached as Exhibit "A" to this written statement.

⁴ Go to <https://www.cleverism.com/lexicon/marketing-metrics/>.

(67.8%)] of those responders obviously did *not* choose to visit Diamond Peak because of any media advertising placed by EXL Media or otherwise. So why the expenditure?

Garbage-in-Garbage-Out: Staff's response to my NPRA request reveals that their interpolation of the alleged cost-benefit of EXL Media placed advertising insofar as Diamond Peak as a whole is concerned, is based upon a 2019-20 survey of 78 *artfully crafted* questions answered in part or all by 391 responders (*out of 110,000 budgeted seasonal skier visits*). Since the overwhelming majority of those 78 questions have nothing to do with reasons why each responder chose to visit Diamond Peak when he/she did, I have excised them completely from Exhibit "B." And what is left are: two (2) questions which have some relevance to the subject query, responders' responses, and their identity classes; and, two (2) questions which help identify the particulars of those answering persons.

Mr. Raymore's survey suffers from the same problem nearly all of our other surveys suffer from. That is, staff's artful crafting designed to adduce pre-ordained answers intended by staff rather than the impartial truth⁵. Here the two (2) somewhat relevant questions and their responses are identified as follows:

Question 4: "Please (tell) us...*ALL* of the ways you have learned about Diamond Peak." Out of 382 responders there were 643 responses. Yet instead of reporting individual response categories by a percentage of total responses, Mr. Raymore has reported them as a percentage of those responding. *In other words, he has intentionally juiced the percentages*⁶!

Putting aside the fact: this question *doesn't* ask if the responder went to Diamond Peak specifically because he/she learned about it as a result of EXL Media advertising; 68.1% of those who responded were already familiar with Diamond Peak because they weren't first time visitors; and given word of mouth (with 199 responses), I live in Incline Village (with 119 responses), and I performed a Google search (with 86 responses) were the top three responses to the question asked and none relies upon EXL Media placed advertising; there is no evidence that *any* responder chose to visit Diamond Peak specifically because of an EXL Media advertisement.

In other words, *the questions asked and the answers obtained are worthless insofar as making the cost-benefit connection between EXL Media placed advertising and Diamond Peak revenue.*

⁵ If staff were truly interested in learning whether the District's recreation venues have realized additional revenues they would not have otherwise realized as a direct result of having purchased advertising through EXL Media, don't you think they would have asked the question? But because staff are afraid of the answers, they ask round about questions such as have you seen a newspaper or billboard advertisement and then make conclusions based upon the answers.

⁶ In other words, 25 billboard advertising responses out of a total of 643 responses, translates into a rather paltry response percentage of 3.89%. Yet the same number of advertising responses compared to a total of 380 responders, nearly doubles the response percentage to 6.6%. Since Mr. Raymore's goal is to boost the response percentage for EXL Media placed advertising, the technique I have described is a simple but deceitful means to achieve the goal.

Question 7: “What made you choose Diamond Peak over the other ski resorts in the Lake Tahoe region (choose all that apply)?” Out of 380 responders there were a total of 1,236 responses.

Putting aside the fact: this question *doesn't* ask if the responder chose to visit Diamond Peak specifically because he/she learned about it because of an EXL Media placed advertisement; and, 86 of those who responded were season passholders who by definition chose to visit Diamond Peak for reasons having nothing to do with advertising; at best, only 132 or less responses have value because they came from responders who possibly could have been influenced by EXL Media placed advertising. However, we'll never know because responders were not asked the seminal question.

In other words again, *the question asked and the answers obtained are worthless insofar as making the cost-benefit connection between EXL Media placed advertising and Diamond Peak revenue.*

The Only Answers to These Two (2) Questions Which Are Relevant to the Subject Inquiry, Are the Ones Given by the 123 Responders Who Responded They Had Never Before Visited Diamond Peak: Question 8 asked whether “you...are...a current Diamond Peak Season Passholder?” Since 143 of the 382 persons (37.44%) who responded answered “yes,” obviously this number of current season passholders did not choose to visit Diamond Peak as a result of any media advertising they may have seen or heard, let alone that placed by EXL Media.

That leaves 239 remaining responders. And because of their answers to Question 3 (“Before this visit, had you ever been to Diamond Peak before?”), we know that 123 of these responders (51.46%) were first time visitors to Diamond Peak. And this means that another 116 responders (48.54%) who had visited Diamond Peak before obviously didn't choose to visit Diamond Peak as a result of any media advertising they may have seen because they were returnees.

So we're left with 123 of the 382 persons (32.2%) who responded they were first time visitors to Diamond Peak. These are the visitors who offer standing to answer why they chose to visit Diamond Peak. *And why exactly did they choose to visit Diamond Peak⁷?* Not only do we *not* know the answer to this question, but staff *couldn't even draft questions intended to elicit answers to this question!* Well done staff.

So You See the District's Conclusions as to the Cost-Benefit of Spending \$1.2 Million on Marketing Rest on the Answers From But 123 Responders!

Mr. Raymore's Faulty ROI/Cost-Benefit Interpolation: “ROI is an important part of...marketing — it tells you whether you're getting your money's worth from your marketing campaigns. And if

⁷ Did 65 of these responders come with friends? Did 61 of these responders come because of recommendation of a friend? Did 90 of these responders come because of child ski center programs? Did 69 of these responders come because of ski school lessons? Did all of these responders come because of the price/value compared to other Lake Tahoe ski areas? Given these are all likely answers, they demonstrate that few if any responders came because of EXL Media placed advertising.

you're not, it's critical to get to the bottom of it and understand why so you can learn how to improve your campaigns. But first, you need to understand how you can effectively measure the ROI of (various types of) advertising⁸. The most instinctive way to measure...advertising ROI is to track metrics that tie directly to revenue and profit (think conversions, opportunities, etc.). While it sounds great on paper, in the real world, this oversimplified view can paint an inaccurate picture of your ROI, especially if your product *is sold at a low price per unit.*"⁹ Which is exactly the case here!

Notwithstanding *none* of those surveyed indicated they had learned of/chose to visit Diamond Peak expressly because of EXL Media placed advertising, Mr. Raymore concluded that because a responder, whether or not one of the 123 first time visitors to Diamond Peak, saw a Diamond Peak billboard advertisement or heard a Diamond Peak advertisement on the radio or saw a Diamond Peak advertisement in a newspaper or magazine, his/her visit as a percentage of all seasonal skier visits was directly attributable to Diamond Peak revenue directly realized because of the advertising rather than something else. By way of example, Mr. Raymore concluded:

Because of a scant 199 survey responses which stated responders "heard" of Diamond Peak because of word of mouth, Mr. Raymore concluded that 52.5% of all 110,000 budgeted skier visits, 52.5% of the average yield per skier visit (gross revenues divided by the number of skier visits) multiplied by all 110,000 seasonal skier visits, and 52.5% of the average profit per skier visit multiplied by all 110,000 seasonal skier visits, were *directly attributed* to this word of mouth metric.

Similarly, because of a scant 119 survey responses which stated responders "heard" of Diamond Peak because they live in Incline Village/Crystal Bay, Mr. Raymore concluded that 31.4% of all 110,000 budgeted skier visits, 31.4% of the average yield per skier visit multiplied by all 110,000 seasonal skier visits, and 31.4% of the average profit per skier visit multiplied by all 110,000 seasonal skier visits, were *directly attributed* to this living in Incline Village/Crystal Bay metric.

Similarly, because of a scant 25 survey responses which stated responders "heard" of Diamond Peak because they saw a Diamond Peak billboard advertisement, Mr. Raymore concluded that 6.6% of all 110,000 budgeted skier visits, 6.6% of the average yield per skier visit multiplied by all 110,000 seasonal skier visits, and 6.6% of the average profit per skier visit multiplied by all 110,000 seasonal skier visits, were *directly attributed* to this billboard advertisement metric.

So You See the District's Conclusions as to the Cost-Benefit of Spending \$1.2 Million on Marketing Rest on the *FLAWED* Interpolation of Answers From But 123 Responders!

More Evidence Few if Any Responder Chose Diamond Peak Because of EXL Media's Placement of Advertising: Question 4 asked "all of the ways (responders) have learned about

⁸ Something Mr. Raymore obviously *doesn't* understand.

⁹ See <https://blog.marketo.com/2016/02/measure-the-roi-of-digital-advertising-beyond-revenue-impact.html>.

Diamond Peak.” 58 (15.1%) responded, in part, as a result of some type of advertising (billboards-25, internet/mobile-23, magazine/newspaper-9, Radio-1). I submit that’s a pretty poor response rate.

But the answers to Question 7 (“what made you choose Diamond Peak?”) are more telling. *Not one* responder answered advertising placed by EXL Media!

In other words, *the questions asked and the answers obtained are worthless insofar as making the cost-benefit connection between EXL Media placed advertising and Diamond Peak revenue.*

So What Was the Benefit Realized as a Direct Result of the Costs Incurred With EXL Media?

We don’t know because we don’t know if any of these responders chose to visit Diamond Peak the day of the survey specifically because of an EXL Media placed advertisement! And for this same reason, we have no idea how much Diamond Peak revenue was generated that day specifically because of an EXL Media placed advertisement. And because we have no idea how much revenue was generated that day at Diamond Peak specifically because of an EXL Media placed advertisement, we have no idea of the benefit, if any, realized because of the cost incurred with EXL Media.

In other words, *the survey was worthless insofar as making the cost-benefit connection between EXL Media placed advertising and Diamond Peak revenue.*

Conclusion: I find the facts uncovered rather amazing. At the Board’s February 12, 2020 meeting Trustee Wong raised the issue of conducting an investigation into the alleged cost-benefit of spending tens of thousands of dollars on a consultant to conduct a water/sewer rate study¹⁰. This question got me asking what cost-benefit study did Ms. Wong, Mr. Morris, former Trustee Horan and our vaulted marketing staff conduct prior to approving the 2019/20 EXL Media contract? So I made a public records request to examine records evidencing that study and learned **THERE WAS NONE**¹¹!

Therefore I listened intently to Mr. Raymore’s June 23, 2020 testimony to the Board and the public concerning the alleged cost-benefits of continuing to contract with EXL Media, only to learn he surveyed a paltry 391 Diamond Peak responders and none from any of the District’s recreational facilities other than Diamond Peak (notwithstanding marketing is allegedly provided to all of IVGID’s other recreational facilities). And when I got into the weeds insofar as the subject survey is concerned, I learned that: only 123 first time visitors to Diamond Peak had standing to respond to staff’s survey; and, not one responder answered that he/she had chosen to visit Diamond Peak expressly because of EXL Media placed advertising!

Moreover, when only: 6.6% of those surveyed respond that they’ve seen a Diamond Peak billboard; and 6.1% of those surveyed respond that they’ve seen a Diamond Peak mobile/internet advertisement; and 2.4% of those surveyed respond that they’ve seen a Diamond Peak newspaper/

¹⁰ Doesn’t the same logic apply here?

¹¹ My February 17, 2020 records request and Susan Herron’s response that there were no records evidencing such a study are attached as Exhibit “A” (page 357) to the 3/11/2020 Board packet (go to https://www.yourtahoepalace.com/uploads/pdf-ivgid/3-11-2020-BOT_Packet_Regular.pdf).

magazine advertisement; and 0.3% of those surveyed respond that they've heard a Diamond Peak radio advertisement; and EXL Media is your partner insofar as media advertising is concerned; *YOU'RE WASTING YOUR MONEY ON ADVERTISING PLACED BY EXL MEDIA AND DIRECTED BY PAUL RAYMORE!* And for this we have a \$1.2 million marketing department which promotes the annual expenditure of \$425,000 or more on EXL Media placed advertising? I don't think so.

The Board needs to immediately terminate the wasteful EXL Media contract, and disband its worthless marketing department¹². And to those asking why our Recreation ("RFF") and Beach ("BFF") Facility Fees are as high as they are, and never seem to go down, now you have another example of some of the reasons why.

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

¹² In a companion written statement I have submitted dealing with comparable utility and recreation districts I have highlighted the North Tahoe Public Utility District ("NTPUD"). What's noteworthy is that rather than employing the 1,012 employees IVGID employs (go to <https://transparentnevada.com/salaries/2019/incline-village-general-improvement-district/>), the NTPUD employs but 67 (go to <https://transparentcalifornia.com/salaries/2018/north-tahoe-public-utility-district/?page=2>). And rather than spending the \$1.2 million or more IVGID spends on marketing its recreational facilities, the NTPUD spends *NOTHING!*

EXHIBIT "A"

You will recall that I challenged Mr. Raymore's represented opinion that the District had realized over \$200K of revenues the District would allegedly not have realized but for its expenditure of \$76K with EXL Media on billboard buys.

I am looking for the surveys allegedly relied upon by Mr. Raymore which asked visitors to IVGID recreational facilities if they had seen media advertising placed by EXL Media on IVGID's behalf, and if s,o the ROI conclusions reached by Mr. Raymore as a result.

Furthermore, if Mr. Raymore or anyone else on his behalf prepared summary reports speaking to this ROI either for staff or EXL Media purposes, during the time period in question, I would like to examine those reports.

I am sending this e-mail to the IVGID Board because I want members to see first hand how staff provides or refuses to provide the ROI metrics records testified to by Mr. Raymore which support his recommendation the District spend \$425K of local property owners' RFF with EXL Media.

I am also sending this e-mail to interim general manager Winquest because I want him to see how his staff responds to public records requests for materials he knows exactly are being requested to be examined.

When I get a response, one way or the other, I will be sure to share it with the Board so we can all see exactly what staff rely upon upon to make the ROI conclusions they so often make.

Thank you for your cooperation. Aaron Katz

EXHIBIT "B"

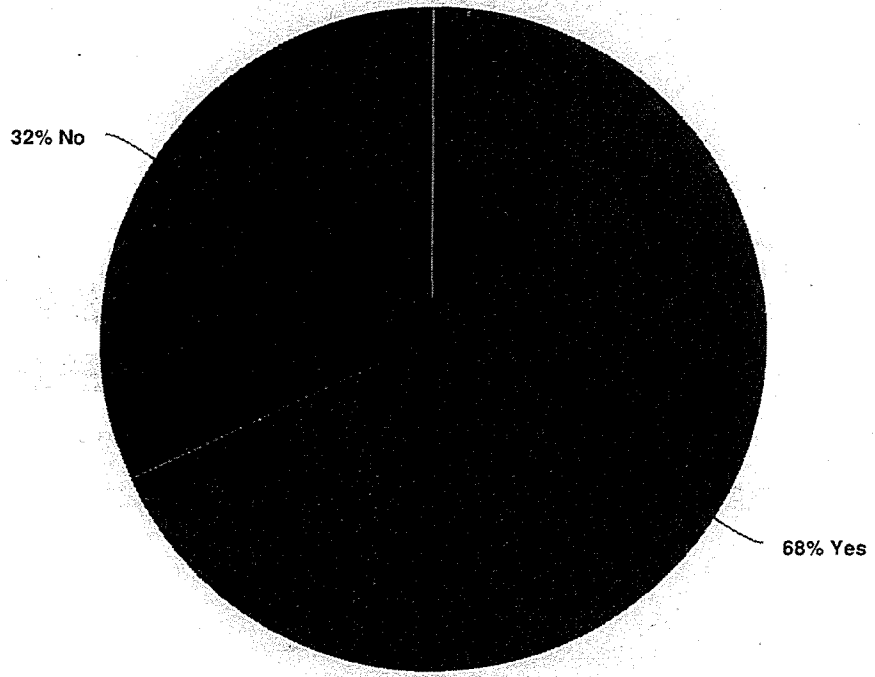
Report for 2019/20 DP In-Season Customer Survey

Response Counts



Totals: 391

★ 3. Before this visit, had you ever been to Diamond Peak before?

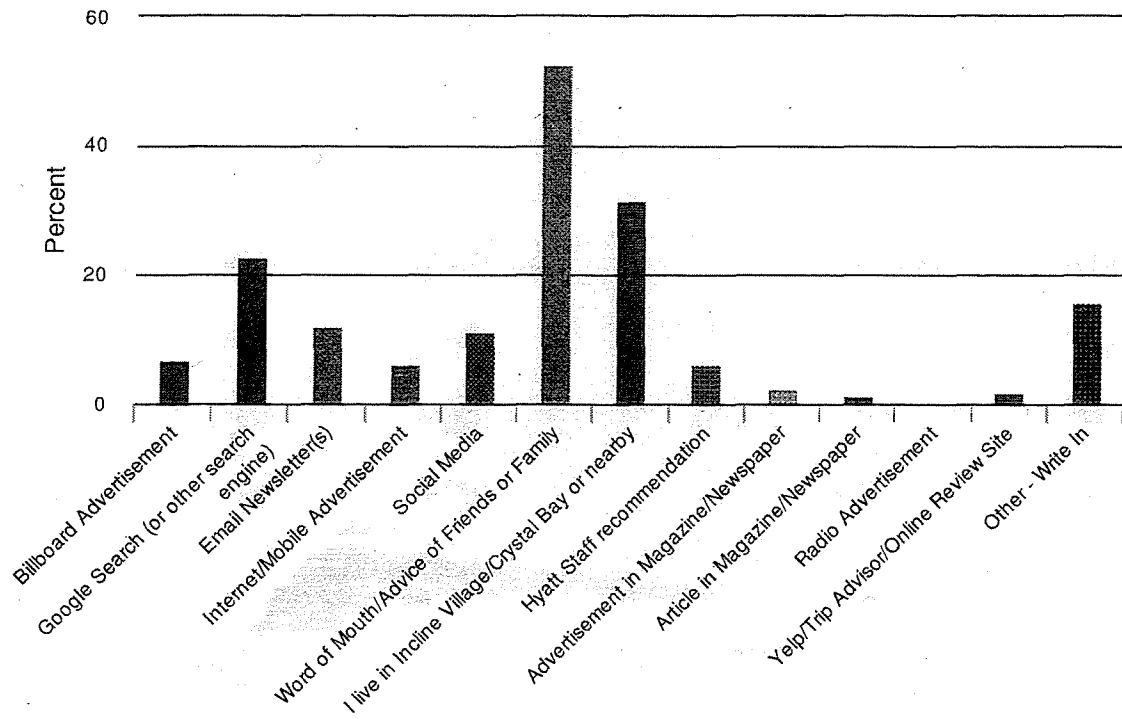


Value	Percent	Responses
Yes	68.1%	262
No	31.9%	123

Totals: 385



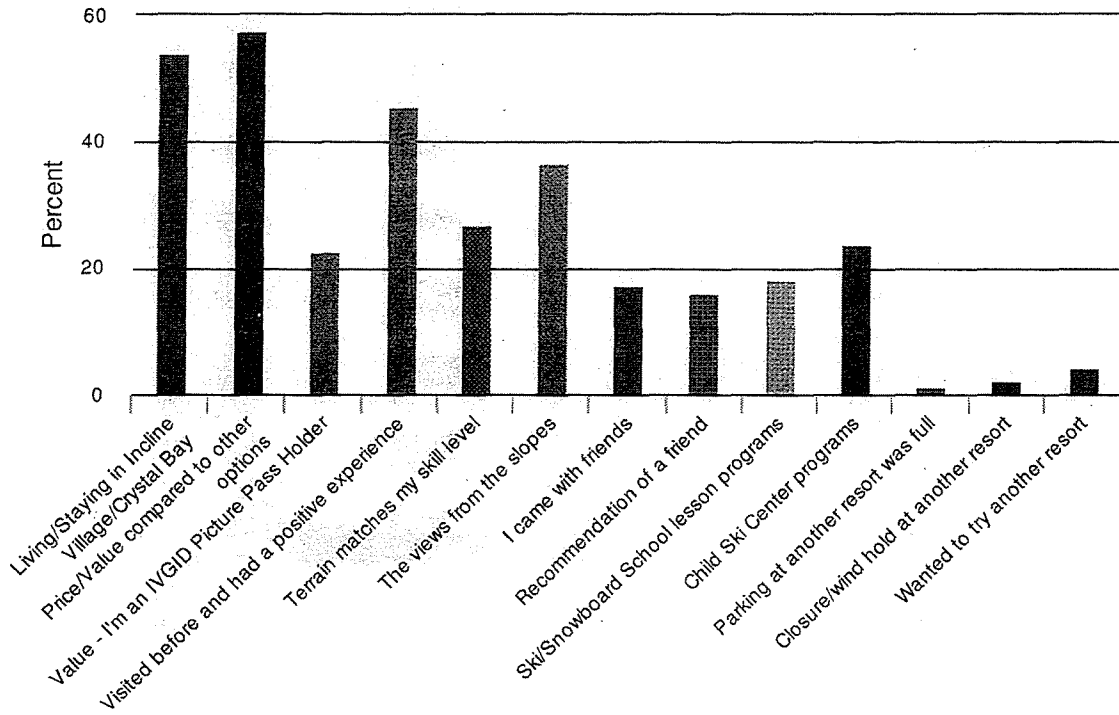
4. Please let us know ALL of the ways you have learned about Diamond Peak



	Value	Percent	Responses
Ad	Billboard Advertisement	6.6%	25
	Google Search (or other search engine)	22.7%	86
	Email Newsletter(s)	11.9%	45
Ad	Internet/Mobile Advertisement	6.1%	23
	Social Media	11.1%	42
	Word of Mouth/Advice of Friends or Family	52.5%	199
	I live in Incline Village/Crystal Bay or nearby	31.4%	119
	Hyatt Staff recommendation	6.1%	23
Ad	Advertisement in Magazine/Newspaper	2.4%	9
	Article in Magazine/Newspaper	1.3%	5
Ad	Radio Advertisement	0.3%	1
	Yelp/Trip Advisor/Online Review Site	1.8%	7
	Other - Write In	15.6%	59

Ads - 58 - 15.18%

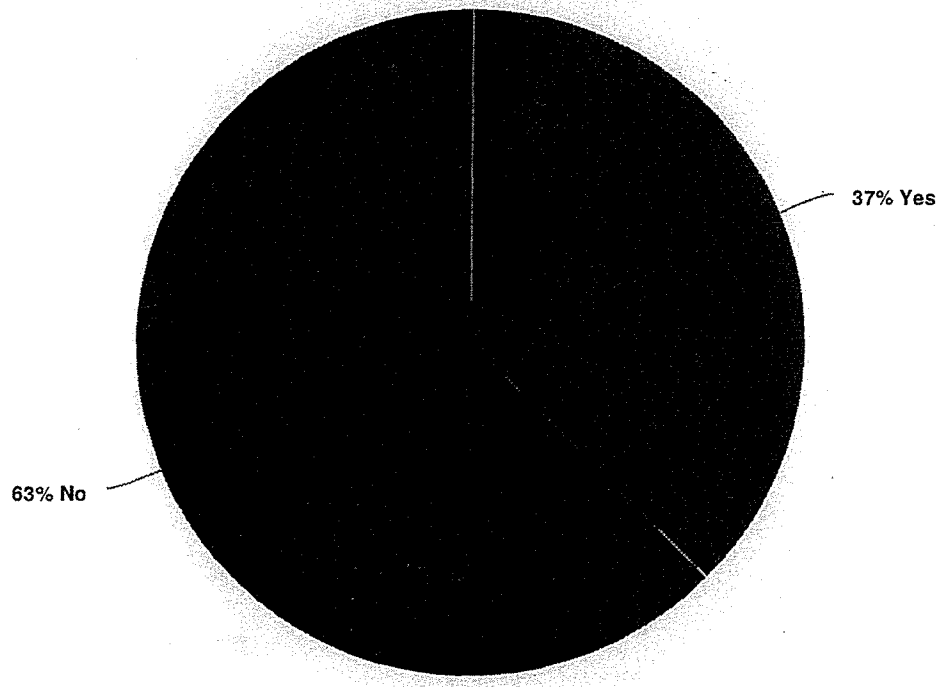
★ 7. What made you choose Diamond Peak over the other ski resorts in the Lake Tahoe region? (choose all that apply)



Value		Percent	Responses
Living/Staying in Incline Village/Crystal Bay		53.9%	205
Price/Value compared to other options		57.4%	218
Value - I'm an I/GID Picture Pass Holder		22.6%	86
Visited before and had a positive experience		45.5%	173
Terrain matches my skill level		26.8%	102
The views from the slopes		36.6%	139
I came with friends		17.1%	65
Recommendation of a friend		16.1%	61
Ski/Snowboard School lesson programs		18.2%	69
Child Ski Center programs		23.7%	90
Parking at another resort was full		1.1%	4
Closure/wind hold at another resort		2.1%	8
Wanted to try another resort		4.2%	16

EXL Media Advertising - 0%

★ 8. Are you a current Diamond Peak Season Passholder?



Value	Percent	Responses
Yes	37.4%	143
No	62.6%	239
		Totals: 382

EXHIBIT "C"

	Total	Cash	Trade	Notes
Cost of program: Word of Mouth	\$ -	\$ -	\$ -	* Free? Not really, but for these purposes, yes.
% customers who learned of DP via program (Customer Survey data)	52.5%			
Budgeted # skier visits	110,000			
Average yield (total rev / total skier visits) \$	97.18			
Average profit per skier visit \$	31.36			
Total revenue attributable to this program at budgeted skier visits	\$ 5,612,145.00			
Total profit attributable to this program at budgeted skier visits	\$ 1,811,040.00			
	Actual # skier visits to date	99,424		
Total revenue attributable to this program (ROI) at actual skier visits	\$ 5,072,562.77			
Total profit attributable to this program at actual skier visits	\$ 1,636,916.74			

	Total	Cash	Trade	Notes
Cost of program: Billboards	\$ 76,794.00	\$ 63,000.00	\$ 13,794.00	* Attributed \$5000 of \$36,500 EXL agency fees to billboards
% customers who learned of DP via program (Customer Survey data)	6.6%			
Budgeted # skier visits	110,000			
Average yield (total rev / total skier visits)	\$ 97.18			
Average profit per skier visit	\$ 31.36			

Total revenue attributable to this program at budgeted skier visits	\$ 705,526.80
Total profit attributable to this program at budgeted skier visits	\$ 227,673.60

Actual # skier visits to date 99,424 6,561.98 <- # of customers this program influenced

Total revenue attributable to this program (ROI) at actual skier visits	\$ 637,693.61
Total profit attributable to this program at actual skier visits	\$ 205,783.82

	Total	Cash	Trade	Notes
Cost of program: Internet ads	\$ 89,120.00	\$ 89,120.00	\$ -	*Attributed \$18,000 of \$40,500 EXL agency fees to internet and subtracted \$12,850 spent on Social Media
% customers who learned of DP via program (Customer Survey data)	6.1%			
Budgeted # skier visits	110,000			
Average yield (total rev / total skier visits)	\$ 97.18			
Average profit per skier visit	\$ 31.36			

Total revenue attributable to this program at budgeted skier visits	\$ 552,077.80
Total profit attributable to this program at budgeted skier visits	\$ 210,425.60

Actual # skier visits to date 99,424

Total revenue attributable to this program (ROI) at actual skier visits	\$ 589,383.48
Total profit attributable to this program at actual skier visits	\$ 190,194.14

	Total	Cash	Trade	Notes
Cost of program: Email	\$ 20,000.00	\$ 20,000.00	\$ -	* Includes CRM vendor fees & email sending costs
% customers who learned of DP via program (Customer Survey data)	11.9%			
Budgeted # skier visits	110,000			
Average yield (total rev / total skier visits)	\$ 97.18			
Average profit per skier visit	\$ 31.36			
Total revenue attributable to this program at budgeted skier visits	\$ 1,272,086.20			
Total profit attributable to this program at budgeted skier visits	\$ 410,502.40			
	Actual # skier visits to date	99,424		
Total revenue attributable to this program (ROI) at actual skier visits	\$ 1,149,780.89			
Total profit attributable to this program at actual skier visits	\$ 371,034.46			

	Total	Cash	Trade	Notes
Cost of program: Online Review Sites	\$ 840.00	\$ 840.00	\$ -	* We spend minimal \$ for an enhanced annual Yelp listing
% customers who learned of DP via program (Customer Survey data)	1.8%			
Budgeted # skier visits	110,000			
Average yield (total rev / total skier visits)	\$ 97.18			
Average profit per skier visit	\$ 31.36			
Total revenue attributable to this program at budgeted skier visits	\$ 192,416.40			
Total profit attributable to this program at budgeted skier visits	\$ 62,092.80			
	Actual # skier visits to date	99,424		
Total revenue attributable to this program (ROI) at actual skier visits	\$ 173,916.44			
Total profit attributable to this program at actual skier visits	\$ 56,122.86			

	Total	Cash	Trade	Notes
Cost of program: TV ads	\$ 24,108.00	\$ 18,700.00	\$ 5,408.00	* Attributed \$2,500 of EXL agency fees to TV
% customers who learned of DP via program (Customer Survey data)	0.0%			
Budgeted # skier visits	110,000			
Average yield (total rev / total skier visits) \$	97.18			
Average profit per skier visit \$	31.36			
Total revenue attributable to this program at budgeted skier visits	\$ -			
Total profit attributable to this program at budgeted skier visits	\$ -			
Actual # skier visits to date	99,424			
Total revenue attributable to this program (RO) at actual skier visits	\$ -			
Total profit attributable to this program at actual skier visits	\$ -			

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS JULY 22, 2020 REGULAR IVGID BOARD MEETING – AGENDA ITEM D – PUBLIC COMMENTS – MORE EVIDENCE THE DISTRICT AS A WHOLE IS FINANCIALLY *IRRESPONSIBLE*, AS IS THE IVGID BOARD BECAUSE THEY CONTINUE TO OPERATE THE PUBLIC’S RECREATION BUSINESS ENTERPRISES AT A LOSS!

Introduction: The Truckee-Donner Recreation & Park District¹ (“TDRPD”) “is a (California) special district of Nevada County in the Sierra Nevada mountains of California. (It)...has been providing recreation and park services...since 1963² with a program participation rate of 75% among Truckee’s 17,000 residents.”³ Similar to IVGID⁴, “the (TDRPD’s) Board of Directors of...consists of)...a five (5) member Board of Directors elected at large...(That Board) is the governing body of the District ...(it) determine(s) all questions of policy...(and) the General Manager is the (District’s) Chief Executive Officer.”⁵ The TDRPD’s stated mission is to “acquir(e), develop...operat(e)...and maintain...park lands, open space, and facilities for a variety of use(s)...develop...a wide variety of programs within available resources to provide recreational and cultural opportunities (and, to)...*operat(e those lands, facilities and programs) in a cost effective and financially responsible manner.*”⁵

On July 1, 2020 the TDRPD sent out an e-mail informing the public that because of COVID-19 and the inability to financially operate these facilities and programs at a break even or on a positive cash flow basis, it would *not* be opening a number of these parks and facilities⁶. The fact IVGID acts otherwise and the IVGID Board does nothing are the purposes of this written statement.

The Recreation Lands and Facilities the TDRPD Owns and Operates: The TDRPD owns and operates a number of recreation facilities and parks⁷; possibly a *greater* number than IVGID. They include: sports⁸ (consisting of five multi-sport athletic fields, bocci ball courts and a mountain bike

¹ Go to <https://www.tdrpd.org/>.

² IVGID did not begin providing these services until “1965 (when the) Washoe County (Board of Commissioners) amended IVGID’s enabling ordinance to add (public) recreation facilities to its responsibilities” (go to <https://www.yourtahoeplace.com/ivgid/about-ivgid/history-of-ivgid>).

³ Go to <https://www.tdrpd.org/27/About-Us>.

⁴ IVGID has a five (5) member board of trustees [NRS 318.080(3)] whose members are elected biennially [NRS 318.095(1)]. The IVGID “Board (has)...the power: 1. to manage, control and supervise all the business and affairs of the district; (and,) 2. to acquire, improve, equip, operate and maintain any district project” (NRS 318.175).

⁵ Go to <https://www.tdrpd.org/DocumentCenter/View/202/Policy-Handbook-Introduction>.

⁶ This e-mail is attached as Exhibit “A” to this written statement.

⁷ Go to <https://www.tdrpd.org/101/Facilities>.

⁸ Go to <https://www.tdrpd.org/168/Riverview-Sports-Park>.

pump track), bike⁹, skateboard¹⁰, shoreline¹¹ (Donner Lake), beach¹² (including boat/kayak/paddle board rentals and storage, basketball, volleyball and pickleball courts, picnic tables and BBQs), Bill Rose¹³, Meadow¹⁴ and Truckee River¹⁵ (including a disc golf course, amphitheater, ballfields¹⁶, tennis courts¹⁷, hiking and legacy¹⁸ trails, lower river and leisure BBQs, community garden¹⁹, farmer's market lot) parks; a Donner Lake boat launch²⁰; Community Arts²¹ and Rec²² (including a gymnasium, indoor basketball court, climbing wall²³, dance room, kitchen, fitness track²⁴) Centers; a Community Swimming Pool²⁵; an 18 hole golf course²⁶; a rodeo arena and BBQs²⁷; a gymnasium (including indoor basketball court) and auditorium²⁸; an outdoor ice rink²⁹; and, various facility rentals³⁰ (for weddings, corporate events, meetings/conferences, birthday parties, concerts/movies). Like I said, possibly a *greater* number than IVGID!

⁹ Go to <https://www.tdrpd.org/195/Truckee-Bike-Park>.

¹⁰ Go to <https://www.tdrpd.org/198/Skate-Park>.

¹¹ Go to <https://www.tdrpd.org/169/Shoreline-Park>.

¹² Go to <https://www.tdrpd.org/165/West-End-Beach>.

¹³ Go to <https://www.tdrpd.org/166/Bill-Rose-Park>.

¹⁴ Go to <https://www.tdrpd.org/173/Meadow-Park>.

¹⁵ Go to <https://www.tdrpd.org/170/Truckee-River-Regional-Park>.

¹⁶ Go to <https://www.tdrpd.org/197/Ballfields>.

¹⁷ Go to <https://www.tdrpd.org/196/Tennis-Courts>.

¹⁸ Go to <https://www.tdrpd.org/199/Legacy-Trail>.

¹⁹ Go to <https://www.tdrpd.org/200/Community-Garden>.

²⁰ Go to <https://www.tdrpd.org/210/Donner-Boat-Ramp>.

²¹ Go to <https://www.tdrpd.org/158/Community-Arts-Center>.

²² Go to <https://www.tdrpd.org/156/Community-Rec-Center>.

²³ Go to <https://www.tdrpd.org/185/Climbing-Wall>.

²⁴ Go to <https://www.tdrpd.org/184/Fitness-Track>.

²⁵ Go to <https://www.tdrpd.org/157/Community-Swimming-Pool>.

²⁶ Go to <https://www.tdrpd.org/160/Ponderosa-Golf-Course>.

²⁷ Go to <https://www.tdrpd.org/163/McIver-Rodeo-Arena>.

²⁸ Go to <https://www.tdrpd.org/164/Veterans-Hall>.

²⁹ Go to <https://www.tdrpd.org/161/Ice-Rink>.

³⁰ Go to <https://www.tdrpd.org/205/Rentals>.

The Recreation Programs TDRPD Offers: According to its web site³¹, the TDRPD offers Aquatics³² (including lessons, diving, swim team, lifeguard training and review), Art³³ (including macramé, pottery, painting, dance, fashion, theater), Enrichment³⁴ (including sailing, lego and discovery camps, Akido for kids), Fitness³⁵, School Aged Care³⁶, Events³⁷ (including music in the park, Easter egg hunt, Fourth of July, Halloween parade, ski swap), Pre-School, Sports³⁸ (including baseball/basketball/volleyball/golf/Frisbee/cheer camps, bike park skills), various Summer Camps³⁹, and Public Arts Commission⁴⁰ programs. Nearly as many if not possibly a *more* than IVGID!

These Facilities and Programs Are Highlighted in an Activities Guide⁴¹: Not as slick as the IVGID “Quarterly,”⁴² however, a comprehensive guide nonetheless.

So You See, Rather Than the Tahoe Donner HOA (<http://www.tahoedonner.com>), it is Really the TDRPD Which is the Closest Entity to Compare Ourselves To:

The TDRPD’s July 1, 2020 e-Mail⁶: concerning its community swimming pool – basically, that the TDRPD would *not be opening the pool for financial reasons:*

“During the first 3 months of the (COVID-19) shutdown, the District has lost over \$500,000 in revenues...Our cost to run the pool for maintenance and operation...is \$5,000 per month. This includes chemicals, climate control and circulation systems. We...have cut back as much as possible on building operational costs. Opening just the large 10 lane lap pool without locker rooms would cost the District \$15,000 per month...*The District cannot afford to take loses in areas that we do not have to.*”

³¹ See <https://www.tdrpd.org/31/Programs>.

³² Go to <https://www.tdrpd.org/181/Aquatics>.

³³ Go to <https://www.tdrpd.org/180/Arts>.

³⁴ Go to <https://www.tdrpd.org/182/Enrichment>.

³⁵ Go to <https://www.tdrpd.org/183/Fitness>.

³⁶ Go to <https://www.tdrpd.org/201/School-Aged-Care>.

³⁷ Go to <https://www.tdrpd.org/218/Events>.

³⁸ Go to <https://www.tdrpd.org/179/Sports>.

³⁹ Go to <https://www.tdrpd.org/178/Summer-Camp>.

⁴⁰ Go to <https://www.tdrpd.org/202/TPAC>.

⁴¹ Go to <https://indd.adobe.com/view/7bb8e1f2-e02a-45f7-8e11-d214e19d0a06>.

⁴² Go to <https://www.yourtahoeplace.com/ivgid/resources/ivgid-quarterly>.

Long Before COVID-19, IVGID Staff Irresponsibly Offered its Recreational Facilities and Programs to the Public at a Financial Loss: We've had this discussion many times before. From the inception of IVGID's exercise of public recreation powers, its Board has budgeted to *overspend* with the intent that overspending be *subsidized* by the Recreation ("RFF") and Beach ("BFF") Facility Fees. Rather than documenting the same again here, I refer the reader to my comprehensive discussion of the topic at both the Board's May 19, 2020⁴³ and May 27, 2020⁴⁴ meetings. Simply stated, IVGID staff were financially irresponsible well before COVID-19!

Given There Has Been No Reduction in the Subsidy of the RFF/BFF⁴⁵, IVGID Staff Continue to Irresponsibly Offer the District's Same Facilities and Programs at a Financial Loss:

The IVGID Board is Just as Irresponsible as its Staff Given it Has Abdicated Away its Power to Responsibly Offer the Public's Recreational Facilities and Programs at a Financial Break Even or on a Positive Cash Flow Basis: We've had this discussion many times before⁴⁶. ¶II of IVGID Resolution 1480⁴⁷ states that,

"The District operates under a Board-Manager form of government which places the Board of Trustees in the role of (*nothing more* than) establishing overall IVGID policy direction. IVGID Staff is appointed to administer and execute day-to-day operations. (Thus) the (General) Manager is responsible for supervising these operations and providing general administrative direction. With regard to IVGID personnel, it is the Board's responsibility to establish overall guidelines governing IVGID's approach to personnel matters. The (General) Manager's role is to put these guidelines into the day-to-day practice of hiring, firing, motivating, promoting, demoting, compensating, and training individual employees."

⁴³ See pages 581-606 of the packet of materials prepared by staff in anticipation of the Board's June 23, 2020 meeting ["the 6/23/2020 Board packet" (https://www.yourtahoepalace.com/uploads/pdf-ivgid/BOT_Packet_Regular_Part2_06_23_2020.pdf)].

⁴⁴ See pages 120-147 of the packet of materials prepared by staff in anticipation of the Board's June 30, 2020 meeting ["the 6/30/2020 Board packet" (https://www.yourtahoepalace.com/uploads/pdf-ivgid/0630_-_Regular_-_Searchable_.pdf)].

⁴⁵ See page 106 of the packet of materials prepared by staff in anticipation of the Board's May 27, 2020 meeting ["the 5/27/2020 Board packet" (https://www.yourtahoepalace.com/uploads/pdf-ivgid/BOT_Packet_Regular_5-27-2020.pdf)] for an historical look at the subsidy of the RFF/BFF.

⁴⁶ The latest being at the Board's May 6, 2020 meeting (see pages 193-195 of the 5/27/2020 Board packet).

⁴⁷ See pages 12-17 at https://www.yourtahoepalace.com/uploads/pdf-ivgid/IVGID_Policy_and_Procedure_Resolutions.pdf.

This abdication makes the General Manager our employees' real boss and the one to whom they owe their loyalty. And it means *our General Manager can hire as many employees as he/she deems necessary, and compensate them as financially irresponsibly as one can ever imagine.*

Moreover, ¶(f) of IVGID Policy 3.1.0.6⁴⁸ states that,

“Contracts, other than those covered by Nevada Revised Statutes 332.115⁴⁹ and which are not subject to the advertising thresholds of Nevada Revised Statutes 332 and/or 338, may be authorized, approved and executed by the General Manager of the District or (his/her) designee, unless otherwise ordered by the Board of Trustees. Contracts covered by Nevada Revised Statutes 332.115 may be authorized, approved and executed by the General Manager or his designee of the District, if it is for an amount less than the advertising threshold of Nevada Revised Statute 332.”

Given NRS 332.065(1)⁵⁰ instructs that *only* “if the estimated annual amount required to perform a contract is more than \$100,000, (may) the governing body or its authorized representative: (a)...advertise the contract in the manner prescribed in NRS 332.045; and, (b)...issue a solicitation for the contract,” essentially *any* contracts under \$100,000 “may be authorized, approved and executed by (our) General Manager...unless otherwise ordered by the Board of Trustees.”

We've had this discussion before. Not only does this language conflict with NRS 318.180⁵¹, 318.185⁵² and 318.210⁵³ which state, respectively, that it is the IVGID Board which has the power to: “hire and retain agents, employees, servants, engineers and attorneys, and any other persons necessary or desirable to effect the purposes of this chapter;” “prescribe the duties of officers, agents, employees and servants, and fix their compensation;” and that “all rights and powers necessary or incidental to or implied from the specific powers granted in this chapter;” but, it means *our General Manager can hire spend District monies as financially irresponsibly as one can imagine.*

With the Foregoing as a Backdrop, Let's Compare the TDRPD's Recreational Financials to IVGID's: Unlike IVGID, the TDRPD maintains three accounting funds (Mitigation⁵⁴, Quimby⁵⁵ and

⁴⁸ See pages 8-13 at <https://www.yourtahoeplace.com/uploads/pdf-ivgid/IVGID-Board-Policies.pdf>.

⁴⁹ Those “which by their nature are not adapted to award by a competitive solicitation.”

⁵⁰ Go to <https://www.leg.state.nv.us/NRS/NRS-332.html#NRS332Sec065>.

⁵¹ Go to <https://www.leg.state.nv.us/nrs/NRS-318.html#NRS318Sec180>.

⁵² Go to <https://www.leg.state.nv.us/nrs/NRS-318.html#NRS318Sec185>.

⁵³ Go to <https://www.leg.state.nv.us/nrs/NRS-318.html#NRS318Sec210>.

⁵⁴ TDRPD's “Mitigation Fund is used to account for the collection of mitigation fees. These fees [which totaled \$250,000 in fiscal year 2019 {see page 32 of TDRPD's version of a fiscal year 2019 Comprehensive Annual Financial Report (<https://www.tdrpd.org/DocumentCenter/View/776/Final->

General⁵⁶), and *none* is an enterprise or special revenue fund. For fiscal year 2019 the TDRPD reported \$9,069,860 of revenues (\$5,493,211 were taxes) and \$9,805,930 of expenditures [\$81,250 were capital improvement projects (“CIPs”) and equipment]. Overspending (\$736,070) was subsidized by \$2,077 of transfers from fund balance(s), and \$733,933 of transfers from TDRPD’s Mitigation (\$669,212) and Quimby (\$64,781) Funds⁵⁷. Given \$253,400 in revenues were assigned to the TDRPD’s Mitigation Fund, and \$40,600 were assigned to its Quimby Fund, in order to make apple-to-apple comparisons to IVGID, revenues from all TDRPD sources totaled \$9,363,860.

Similarly, to make “apple-to-apple” comparisons to the TDRPD’s financials, we need to combine IVGID’s Community Services⁵⁸, Beach⁵⁹ and General⁶⁰ Fund revenues and expenditures. When we do, find the spreadsheet below which compares the two:

Audit-FY-2019) – “the TDRPD’s 2019 CAFR”} and] cannot be used for daily operations, but must be used only to develop parkland and provide recreational, community use facilities to meet the needs of...new service populations within the District” (see page 18 of the TDRPD’s 2019 CAFR).

⁵⁵ TDRPD’s “Quimby Fees Fund is used to account for the collection of Quimby fees. These fees [which totaled \$40,000 in fiscal year 2019 (see page 33 of the TDRPD’s 2019 CAFR) cannot be used for daily operations, but must be used only to develop parkland and provide recreational, community use facilities to meet the needs of...new service populations within the District” (see page 18 of the TDRPD’s 2019 CAFR).

⁵⁶ TRPD’s “General Fund is the general operating fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds...General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund” (see page 18 of the TDRPD’s 2019 CAFR).

⁵⁷ See page 31 of the TDRPD’s 2019 CAFR. The TDRPD’s 2019 General Fund Schedule of Revenues, Expenditures and Changes in Fund Balance is attached as Exhibit “B” to this written statement.

⁵⁸ IVGID’s Community Services Fund is used to account for all financial resources assigned by staff to the beaches [see page 36 of IVGID’s 2019 Comprehensive Annual Financial Report – “IVGID’s 2019 CAFR” (<https://www.yourtahoeplace.com/uploads/pdf-ivgid/2019-IVGID-CAFRReport.pdf>)].

⁵⁹ IVGID’s Beach Fund is used to account for all financial resources assigned by staff to the beaches (see page 36 of IVGID’s 2019 CAFR).

⁶⁰ IVGID’s General Fund “is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund’s primary function is to provide general administration for all other functions” (see page 36 of IVGID’s 2019 CAFR).

Comparison of 2019 Financials		
Revenues	TDRPD ⁶¹	IVGID
Taxes and Assessments	\$ 5,493,211	\$ 3,312,708
Mitigation Fees	\$ 250,000	
Quimby Fees	\$ 40,000	
Recreation Facility Fees		\$ 5,822,775
Beach Facility Fees		\$ 975,121
Charges for Services	\$ 3,526,649	\$ 19,140,701
Donations/Grants	\$ 25,000	\$ 17,000
Interest/Investment	\$ 29,000	\$ 1,210,172
Miscellaneous		\$ 166,587
Totals	\$ 9,363,860	\$ 30,645,064
Expenses	TDRPD ⁶²	IVGID
Employee Expenditures	\$ 4,912,097	\$ 12,626,670
Employee Incentives	\$ 744	
Services and Supplies	\$ 4,401,878	\$ 10,408,834
Debt Service	\$ 1,430,302	\$ 387,642
Capital Projects		\$ 5,208,330
Totals	\$ 10,745,021	\$ 28,631,476
Addition to Fund Balances		\$ 2,013,588
Totals		\$ 30,645,064

Since the TDRPD doesn't have a ski area, let's examine these financials after removing Diamond Peak's revenues and expenses:

⁶¹ See page 31 of IVGID's 2019 CAFR.

Comparison of 2019 Financials After Deleting IVGID's Diamond Peak		
Revenues	TDRPD⁶²	IVGID
Taxes and Assessments	\$ 5,493,211	\$ 3,312,708
Mitigation Fees	\$ 250,000	
Quimby Fees	\$ 40,000	
Recreation Facility Fees		\$ 5,822,775
Beach Facility Fees		\$ 975,121
Charges for Services	\$ 3,526,649	\$ 7,361,830
Donations/Grants	\$ 25,000	\$ 17,000
Interest/Investment	\$ 29,000	\$ 1,210,172
Miscellaneous		\$ 166,587
Totals	\$ 9,363,860	\$18,866,193
Expenses	TDRPD⁶²	IVGID
Employee Expenditures	\$ 4,912,097	\$ 8,628,886
Employee Incentives	\$ 744	
Services and Supplies	\$ 4,401,878	\$ 6,575,670
Debt Service	\$ 1,430,302	\$ 387,642
Capital Projects		\$ 1,406,757
Totals	\$10,745,021	\$16,998,955
Addition to Fund Balances		\$ 1,867,238
Totals		\$18,866,193

Since the TDRPD only has one golf course and IVGID has two, let's examine these financials after removing Diamond Peak and Championship Golf revenues and expenses:

Comparison of 2019 Financials After Deleting IVGID's Diamond Peak and Championship Golf		
Revenues	TDRPD⁶²	IVGID
Taxes and Assessments	\$ 5,493,211	\$ 3,312,708
Mitigation Fees	\$ 250,000	
Quimby Fees	\$ 40,000	
Recreation Facility Fees		\$ 5,822,775
Beach Facility Fees		\$ 975,121
Charges for Services	\$ 3,526,649	\$ 3,458,941
Donations/Grants	\$ 25,000	\$ 17,000
Interest/Investment	\$ 29,000	\$ 1,210,172
Miscellaneous		\$ 166,587
Sub-Totals	\$ 9,363,860	\$ 14,963,304
Remove Recreation/Beach Fees		(\$ 6,797,896)
Totals	\$ 9,363,860	\$ 8,165,408
Expenses	TDRPD⁶²	IVGID
Employee Expenditures	\$ 4,912,097	\$ 6,735,853
Employee Incentives	\$ 744	
Services and Supplies	\$ 4,401,878	\$ 4,183,280
Debt Service	\$ 1,430,302	\$ 6,241
Capital Projects		\$ 956,538
Totals	\$ 10,745,021	\$ 11,881,912
Additions to Fund Balances		\$ 3,081,392
Totals		\$ 14,963,304

Although IVGID reports nearly \$5.6 million more of revenue when compared to the TDRPD, understand that this differential occurs because of \$6,797,896 of RFF/BFF revenue. And rather than being spent on additional expenses, the reader can see that nearly half (\$3,081,392) of this differential is banked as additions to fund balances. Take out the differentials and the reader can see that the TDRPD is far more efficient than IVGID not only in generating revenue, but in incurring expenses.

Let's Compare the Number of 2019 TDRPD to IVGID Employees: According to Transparent California, the TDRPD had 226 employees⁶². According to Transparent Nevada, IVGID had 1,012 employees⁶³. Somewhat comparable revenue and net numbers with 22% of the employees! Now it's true IVGID hires more employees because of Diamond Peak and the Championship Golf Course, however, *nowhere near the 786 difference!*

Let's Compare the Salaries/Benefits of TDRPD's Administrative CEO to IVGID's: According to Transparent California, the TDRPD's GM, Steve Randall, was paid a 2019 annual base pay of \$140,159.94 and total pay with benefits of \$181,348.14⁶⁴. At the Board's June 30, 2020 meeting the public learned that IVGID's new GM's annual base pay is \$195,000 and his total pay with benefits is probably close to or actually in excess of \$300,000⁶⁵. And unlike IVGID, TDRPD doesn't pay its recreation venue managers as if they were CEOs⁶⁶.

The Conclusions We Can Make Based Upon the Foregoing:

Gross Revenues: Remove Diamond Peak, the Championship Golf Course and the RFF/BFF from the equation, and the gross revenues generated by TDRPD are markedly higher (14.68%) than IVGID's (\$9,363,860 for TDRPD versus \$8,165,408 for IVGID).

Charges for Services: Remove Diamond Peak, the Championship Golf Course and the RFF/BFF from the equation, and the sales revenues generated for services for both TDRPD and IVGID are almost identical (\$3,526,649 for TDRPD versus \$3,458,941 for IVGID).

Percentage Use by the Community: Take a look at the user fees TDRPD charges the public for use of TDRPD recreational facilities and access to TDRPD programs. They're a fraction

⁶² Go to <https://transparentcalifornia.com/salaries/2019/truckee-donner-recreation-and-park-district/>.

⁶³ Go to <https://transparentnevada.com/salaries/2019/incline-village-general-improvement-district/>.

⁶⁴ See <https://transparentcalifornia.com/salaries/2019/truckee-donner-recreation-and-park-district/steve-randall/>. This page is attached as Exhibit "C" to this written statement.

⁶⁵ See pages 5-19 of the packet of materials prepared by staff in anticipation of the Board's June 30, 2020 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/0630_-_Regular_-_Searchable_.pdf ("the 6/30/2020 Board packet")].

⁶⁶ In 2019 Mike Bandelin, Diamond Peak's General Manager (a six month job), was paid a whopping \$171,897.10 in salary and benefits. James Howard, Championship Golf's General Manager (a six month job), was paid a whopping \$116,979.53 in salary and benefits (and he didn't work a full twelve months). Steve Phillips, IVGID's Park Superintendent, was paid \$117,121.64 in salary and benefits. Jeff Clouthier, Golf Course Grounds Supervisor (a six month job), was paid \$153,471.47 in salary and benefits. Ken Bell, Buildings Supervisor, was paid \$146,328.99 in salary and benefits. Shane Goddard, Parks and Recreation Manager, was paid \$100,680.19 in salary and benefits. Pandora Bahlman, Rec Center Manager, was paid \$91,399.44 in salary and benefits.

compared to IVGID. Which means TDRPD's recreational facilities and programs are used by a lot more people than IVGID's notwithstanding the total user fees charged by both are almost identical. This explains why TDRPD is able to assert "a program participation rate of 75% among Truckee's 17,000 residents"³ and IVGID is not⁶⁷.

Operational Costs: Remove Diamond Peak, the Championship Golf Course and the RFF/BFF from the equation and the operational costs incurred by IVGID are 17.22% higher than TDRPD (\$10,919,133 for IVGID versus \$9,314,719 for TDRPD).

Employee Costs: Remove Diamond Peak, the Championship Golf Course and the RFF/BFF from the equation and the employee costs incurred by IVGID are a whopping 37.13% higher than TDRPD (\$6,735,853 for IVGID versus \$4,912,097 for TDRPD).

Capital Project Costs: Remove Diamond Peak, the Championship Golf Course and the RFF/BFF from the equation and the capital improvement projects undertaken by TDRPD are more efficiently leveraged by installment debt (\$1,430,302), without increasing expenditures, versus cash (\$956,538).

Add Back IVGID's Championship Golf Financials: and although an additional \$3,902,889 in charges for services are reported, it comes with a \$5,117,043 increase in costs (a \$1,893,033 increase in employee costs, a \$2,392,390 increase in services and supply costs, a \$450,219 increase in capital costs, and a \$381,401 increase in debt servicing costs). In other words, *an additional \$1,214,154 in losses!*

Add Back IVGID's Championship Golf and Diamond Peak Financials: and although an additional \$15,681,760 in charges for services are reported, it comes with a \$16,368,163 increase in costs (a \$5,890,817 increase in employee costs, a \$6,225,554 increase in services and supply costs, and a \$4,251,792 increase in capital costs). In other words, *an additional \$686,403 in losses!*

In other words, ***Owning, Maintaining, Improving and Operating Diamond Peak and Championship Golf Course Financially Benefits No One Other Than IVGID's Employees:*** The numbers don't lie!

The RFF/BFF: TDRPD does *not* have to assess its local parcel owners the equivalent of a \$ 6,797,896 RFF/BFF.

And Remember TDRPD's Credo: It is committed to operat(ing the public's recreational lands, facilities and programs) *in a cost effective and financially responsible manner.*"⁵

⁶⁷ In fact a decade ago I pushed for a study of the participation rates at all of our recreation venues by occupants of the approximate 8,200 parcels/dwelling units being assessed the RFF, and on average, the number was a paltry 15%.

Now Listen to IVGID's October 2013 Credo: As I reminded the Board at its April 1, 2020 meeting⁶⁸, on December 11, 2002 it passed former Resolution 1736⁶⁹ which adopted Financial Standards for the District's various recreational facilities. ¶VII(A) of that Resolution declared that the services provided at most of the public's recreational venues were directed by the Board to be "provide(d) on a breakeven basis." Although for political reasons Resolution 1736 was rescinded nearly six (6) years after its adoption (on March 26, 2008), and it was replaced with a watered down version of Policy 2.1.0⁷⁰, the subject was again discussed by the Board at its October 1, 2013 meeting. Thereat, each Board member was asked whether the District's recreational facilities and the programs offered thereat "should generate a profit, break even, or simply provide value?" Four (4) of the five (5) trustees again declared that most of the public's recreational venues should operate on a break even basis. And insofar as Championship Golf and Diamond Peak were concerned, the fifth (former Trustee Joe Wolfe) declared they should actually generate a profit⁷¹!

Therefore, should not this IVGID Board be committed to operat(ing the public's recreational lands, facilities and programs) *in a cost effective and financially responsible manner*?" And if not, what does that say about this Board?

Moreover, Listen to One of Our New GM's Job Responsibilities: "To perform this job successfully, an individual must be qualified...to turn enterprise(s) *from loss to profit/breakeven*"⁷². *So why would our GM intentionally budget to overspend?*

Another Reason Staff is Given the Pass to Act as Financially Irresponsible as it Does, is Because They Don't Compare IVGID to Comparable Districts Like the TDRPD, and They Support Multiple Overpaid IVGID GMs: At the Board's June 30, 2020 meeting our HR Director, Dee Carey, compared the compensation being paid by other allegedly comparable sewer and water districts to their GMs, rather than comparing the compensation being paid to park and recreation district GMs

⁶⁸ See page 205 of the packet of materials prepared by staff in anticipation of the Board's April 14, 2020 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular-4-14-20.pdf ("the 4/14/2020 Board packet")].

⁶⁹ This resolution is attached as Exhibit "B" to the written statement addressing budgeting for Championship Golf submitted at the Board's March 11, 2020 meeting (see pages 141-148 of the 4/14/2020 Board packet).

⁷⁰ See pages 5-7 at https://www.yourtahoeplace.com/uploads/pdf-ivgid/IVGID_Board_Policies_5-12-2020.pdf.

⁷¹ A spreadsheet depicting trustees' views on this subject was attached to the minutes of the Board's October 1, 2013 meeting [see page 126 of the packet of materials prepared by staff in anticipation of the Board's October 30, 2013 meeting ("the 10/30/2013 Board packet")]. Another copy of this spreadsheet was attached as Exhibit "C," at page 150 of the 4/14/2020 Board packet."

⁷² See ¶4 under "Skills and Ability," at page 18 of the 6/30/2020 Board packet.

like the TDRPD⁷³. The reason being that our GM is not the chief administrative officer of our water and sewer facilities and services. As I explained in my July 3, 2020 e-mail to the Board⁷⁴, the GM of our Public Works Department is really Joe Pomroy⁷⁵!

Conclusion: If our staff cannot “turn (our recreation) enterprise(s) from loss to profit/break even,”⁷¹ then they are acting irresponsibly in the operation of the public’s recreational facilities. So just like TDRPD, the responsible thing to do is to *shut down our recreational facilities*. And as long as the Board allows staff to act irresponsibly financially, its members are equally irresponsible. The TDRPD stands as evidence IVGID can and must act responsibly. I and others I know demand that our new GM deliver. And if he doesn’t, then he’s as irresponsible as everyone else.

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

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

⁷³ See https://www.yourtahoeplace.com/uploads/pdf-ivgid/F.2._General_Business_-_GM_Employment_Agreement_-_Supplement_-_Salary_Comparison.pdf. This page is attached as Exhibit “D” to this written statement.

⁷⁴ This e-mail is attached as Exhibit “E” to this written statement.

⁷⁵ Mr. Pomroy works out his own administrative building located at Sweetwater, he has his own administrative staff, he manages his own Public Works staff, he negotiates and enters into his own contracts (such as NV Energy approved electric vehicle charging stations and wastewater sales), etc. And according to Transparent Nevada (<https://transparentnevada.com/salaries/2019/incline-village-general-improvement-district/joseph-j-pomroy/>) he receives a base pay (of \$175,000) which is nearly as much as Indra’s. For all intents and purposes, Joe Pomroy is the GM over public works.

EXHIBIT "A"

Fwd: Update to the Truckee Community Pool

From: [REDACTED]
To: Aaron Katz
Subject: Fwd: Update to the Truckee Community Pool
Date: Jul 1, 2020 6:56 PM

----- Forwarded message -----

From: Truckee-Donner Recreation & Park District <info@tdrpd.org>
Date: Wed, Jul 1, 2020 at 3:45 PM
Subject: Update to the Truckee Community Pool
[REDACTED]

Truckee Community Swimming Pool Update

July 1, 2020

The Truckee Community Swimming Pool is **currently closed** as a result of the Covid-19 pandemic. The State of California and Nevada County have mandated health guidelines that do not allow us to open the pool and operate it in a fiscally responsible manner. The District had **planned** to open the competition pool on July 8th for the Truckee Tahoe Swim Team and public lap swimming. The recreation pool and locker rooms were to remain closed. **A reversal in guidelines by the State and the County on June 24th will not allow us to operate the pool as planned.** Swim team practice is not currently allowed, and lap swimming can have no more than one person in a lane. For us, that means that only 10 people could be allowed in the pool at any given time.

Our cost to run the pool for maintenance and operation during the shutdown is \$5,000 per month. This includes chemicals, climate control and circulation systems. We are not currently heating the pool and have cut back as much as possible on building operational costs. Opening just the large 10 lane lap pool

without locker rooms would cost the District \$15,000 per month. During the first 3 months of the shutdown, the District has lost over \$500,000 in revenues. Fortunately, we have decreased our expenditures so our net loss for this time period is approximately \$250,000. The District cannot afford to take losses in areas that we do not have to.

We can assure you that we are doing everything possible within the guidelines of the State and County to get the swimming pool open. When we can operate on a scale that serves more of the community, we will revisit our operating status within the guidelines of Nevada County and the state of California.

We look forward to serving the community with lap swim, recreational swim, water fitness classes, swim lessons and events at Truckee Community Pool soon.

Steve Randall, General Manager

Sven Leff, Recreation Superintendent

Pete Kristian, Senior Aquatics Coordinator

Inspiring Creative Active Lives For A Healthy Mountain Community

Copyright © 2020 Truckee Donner Recreation and Park District, All rights reserved.

You are receiving this email because of your past years' involvement in TDRPD's programs. These emails will consist of upcoming registrations, updates, and news on all programs for each month.

10981 Truckee Way, Truckee, CA 96161 • (530) 582-7720 • info@tdrpd.org

Want to change how you receive these emails?

You can [update your preferences](#) or [unsubscribe from this list](#).

EXHIBIT "B"

TRUCKEE-DONNER RECREATION AND PARK DISTRICT

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET (NON-GAAP) AND ACTUAL**

GENERAL FUND

SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Favorable (Unfavorable)
REVENUES				
Tax and assessments	\$ 5,493,211	\$ 5,493,211	\$ 5,456,703	\$ (36,508)
District services	3,526,649	3,526,649	3,482,084	(44,565)
Donations	25,000	25,000	139,559	114,559
Grants	-	-	921,568	921,568
Interest	25,000	25,000	83,368	58,368
Increase (Decrease) in FMV of cash and cash equivalents	-	-	58,956	58,956
Total revenues	9,069,860	9,069,860	10,142,238	1,072,378
EXPENDITURES				
Employee services	5,092,923	5,092,923	4,912,097	180,826
Communications	34,170	34,170	35,940	(1,770)
Food and merchandise	87,240	87,240	116,170	(28,930)
Houshold	41,000	41,000	34,490	6,510
Insurance	134,835	134,835	166,381	(31,546)
Maintenance	175,900	175,900	230,542	(54,642)
Memberships	13,668	13,668	22,177	(8,509)
Employee incentives	1,500	1,500	744	756
Office expenses	134,342	134,342	156,327	(21,985)
Professional and special services	458,519	458,519	624,397	(165,878)
Publications	30,875	30,875	31,684	(809)
Rents and leases	71,600	71,600	217,669	(146,069)
Small tools and supplies	248,872	248,872	267,778	(18,906)
Special district services	156,080	156,080	205,684	(49,604)
Transportation and travel	103,850	103,850	108,371	(4,521)
Utilities	488,000	488,000	493,018	(5,018)
Taxes and assessments	131,915	131,915	113,069	18,846
Scholarship reserve	25,000	25,000	13,279	11,721
Bad debt	-	-	3,774	(3,774)
Debt service	1,431,088	1,431,088	1,430,302	786
Structures and improvements	304,444	304,444	1,234,420	(929,976)
Equipment	187,400	187,400	326,708	(139,308)
Overhead	371,459	371,459	-	371,459
Capital projects & equipment	81,250	81,250	-	81,250
Total expenditures	9,805,930	9,805,930	10,745,021	(939,091)
Excess (deficiency) of revenues over (under) expenditures	(736,070)	(736,070)	(602,783)	133,287
OTHER FINANCING SOURCES (USES)				
Transfers in	733,993	733,993	733,993	-
Total other financing sources (uses)	733,993	733,993	733,993	-
Net change in fund balance	(2,077)	(2,077)	131,210	133,287
Fund Balance - October 1, 2018	4,013,534	4,013,534	4,013,534	-
Fund balance - September 30, 2019	\$ 4,011,457	\$ 4,011,457	\$ 4,144,744	\$ 133,287

See accompanying notes to required supplementary information.

EXHIBIT "C"

Today's Refinance Rate

2.60%

APR 15 Year Fixed

Select Loan Amount

\$225,000

TRANSPARENT CALIFORNIA

California's largest public pay and pension database

(L)

[Home \(L\)](#) / [Special Districts \(/agencies/salaries/special-districts/\)](#) / [2019 \(/salaries/2019/\)](#) / [Truckee-Donner Recreation and Park District \(/salaries/2019/truckee-donner-recreation-and-park-district/\)](#) / Steve Randall

x

Steve Randall (/salaries/search/?q=Steve%20Randall)

x

[General Manager \(/salaries/search/?q=General%20Manager\)](#) (2019)

Regular pay: \$140,159.94

Overtime pay: \$0.00

Other pay: Not provided

Total pay: \$140,159.94

Benefits: \$41,188.20

Total pay & benefits: \$181,348.14

Share: [Tweet](#)
[Share](#)

© 2020 Transparent California
[ges/about/](#) | [Contact \(/pages/contact/\)](#) | [Blog \(https://blog.transparentcalifornia.com/\)](https://blog.transparentcalifornia.com/) | [Disclaimer \(/pages/disclaimer/\)](#) | [FAQ \(/pa](#)
[Donate \(/donate/\)](#)

←

Ads by Google

Stop seeing this ad

Why this ad?

EXHIBIT "D"

						10/1/2019		
Agency	Title	Comp Low	Comp Mid	Comp High	Annual @ Max	Actual	Notes	
Northstar Comm Services Dist.	Not listed on website	\$ -	\$ -	\$ -	\$ -			
NTPUD	GM/CEO 9/8/19 contract	\$ -	\$ -	\$ -	\$ -	\$ 200,000.00	\$500/m car allowance, \$50/m cell phone, up to 10% bonus option	
STPUD	Asst. GM	\$ 15,450.81	\$ 17,034.52	\$ 19,719.58	\$ 236,634.96	\$ 187,097.16	Company vehicle	
SVPSD	GM					\$ 250,000.00	\$75 month cell phone, Gas card for personal vehicle	
TCPUD	GM					\$ 182,062.40	\$583.53 month car allowance	
TDPUD	GM	\$ 15,772.00	\$ 17,471.00	\$ 19,170.00	\$ 230,040.00	\$ 265,898.88	Company Car	
TDRPD	GM	\$ 10,186.80	\$ 11,918.40	\$ 13,650.00	\$ 163,800.00			
Town of Truckee	Asst. Town Manager	\$ 12,244.31	\$ 14,387.07	\$ 16,529.82	\$ 198,357.84	\$ 191,734.00	\$905 month car allowance, 18k 457	
Truckee Sanitary District	GM/Chief Engineer					\$ 193,613.40	Car allowance \$600, fuel for work related travel, \$500 clothing allowance	
T TSA	2019-20 year	\$ -				\$ 208,176.00	600 month car allowance	
					Average	\$ 209,822.73		

EXHIBIT "E"

Do You Realize That Unlike Any of the PUDs Compared by Dee Carey on June 30, We're Paying For TWO Administrative CEOs Nearly \$400K Annually in Base Pay?

From: s4s@ix.netcom.com
To: Callicrate Tim
Cc: Dent Matthew <dent_trustee@ivgid.org>, Wong Kendra Trustee <wong_trustee@ivgid.org>, Morris Peter <morris_trustee@ivgid.org>, Schmitz Sara <schmitz_trustee@ivgid.org>, "ISW@ivgid.org" <ISW@ivgid.org>
Subject: Do You Realize That Unlike Any of the PUDs Compared by Dee Carey on June 30, We're Paying For TWO Administrative CEOs Nearly \$400K Annually in Base Pay?
Date: Jul 3, 2020 9:16 AM

To Chairperson Callicrate and the Other Honorable Members of the IVGID Board -

Dee Carey's web site posting of California PUD GM salary comparisons to justify her June 30, 2020 proposed base pay recommendation for our new GM got me thinking.

Unlike any of the compared PUDs, WE ARE PAYING FOR TWO GMs! That's right. Joe Pomroy for Public Works, and Indra for Recreation. Although the two have two different job titles, the label difference is as disingenuous as the RFF/BFF being "fees" rather than the special taxes they really are.

At the end of the day, look at their compensation levels and responsibilities. Joe Pomroy is paid an annual base salary of \$185K plus a 2020 COLA and has complete control over public works. Indra brings no skills to this department, nor does he exercise supervision or control. If you don't believe me, look at all the sole source contracts Mr. Pomroy awards without the GM's intervention. Look at his wastewater contracting without the Board's knowledge or approval.

For 2020 Indra is paid a base salary of \$195K. Indra basically supervises recreation facilities/activities. In fact, recreation has been Indra's experience with IVGID over the last seventeen years.

Check out all the PUDs Dee has referred the Board to and you will see that they're either stand alone water/sewer districts with a single CEO, or public works plus recreation districts (like NTPUD where Brad Johnson is the GM) where again, there is only a single CEO.

So although NTPUD is paying Brad \$200K/annually as their CEO, we're paying TWICE that amount!

And you wonder why we can't operate any of our recreational facilities/programs on a break even or positive cash flow basis? I've now provided more evidence.

A responsible Board would discard one of these two overpaid public employee CEOs. Take your pick.

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS JULY 22, 2020 REGULAR IVGID BOARD ("BOARD") MEETING – AGENDA ITEM H(1) – APPROVAL OF PROPOSED FIVE (5) YEAR CAPITAL IMPROVEMENT PLAN, DEBT MANAGEMENT AND INDEBTEDNESS REPORT

Introduction: NRS 350.013(1)(c)(6) instructs that “on or before August 1 of each year, the governing body of a municipality which proposes to issue or has...any...outstanding...general obligation debt...shall submit to the Department of Taxation and the (Tax) commission...a written statement of the debt management policy of the municipality, which must include, without limitation ...a discussion of its sources of money projected to be available to pay existing general obligation debt, authorized future general obligation debt and proposed future general obligation debt.” In addition, NRS 350.013(1)(d) instructs that said governing body also submit “(1) its plan for capital improvement (“CIP”) for the ensuing 5 fiscal years, which must include any contemplated issuance of general obligation debt during this period and the sources of money projected to be available to pay the debt; or, (2) a statement indicating that no changes are contemplated in its plan for capital improvement for the ensuing 5 fiscal years.” Pursuant to these requirements staff have proposed an “Indebtedness Report”¹ which unabashedly declares that:

1. “Principal and interest on the District’s (general obligation) debt are payable from the various net pledged revenues of the District”² rather than its *ad valorem* taxes as NRS 350.045³ declares; and,

2. The cost of “the District’s Five Year Capital Plan (\$53,119,890) and the 2020-21 Carryforward List (\$17,341,377)...combine(d)...total (an unfathomable)...\$70,461,267.”⁴

A discussion of both are the purposes of this written statement.

Staff Admit the District Has Issued a Minimum of \$4,285,637 of General Obligation Debt: “As of the fiscal year ending June 30, 2020, the District ha(d)...\$4,285,637 of general obligation bond debt...The \$4.29 million in general obligation bond debt is comprised of \$1,137,000 of recreation revenue debt...and \$3,148,637 in utility general obligation revenue debt.”⁵

¹ See pages 20-58 of the packet of materials submitted by staff in anticipation of this July 22, 2020 Board meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/0722_-_Searchable.pdf (“the 7/22/2020 Board packet”)].

² See page 26 of the 7/22/2020 Board packet.

³ Go to <https://www.leg.state.nv.us/nrs/NRS-350.html> to access all provisions of NRS 350.

⁴ See page 18 of the 7/22/2020 Board packet.

⁵ See page 16 of the 7/22/2020 Board packet.

The District Levies a General *Ad Valorem* Tax: NRS 318.225⁶ grants general improvement district “board(s) the...power and authority to levy and collect general (*ad valorem*) taxes on and against all taxable property within the district.” If the reader examines the District’s latest 2020-21 Budget⁷, he/she will see where it collected an estimated \$1,690,000 in property taxes for the fiscal year ending June 30, 2020, and that it has budgeted to collect \$1,770,000 in additional property taxes in the current fiscal year⁸.

Staff Admit That *None* of This General Obligation Debt is Paid With General *Ad Valorem* Taxes: As aforesaid, staff admit that “principal and interest on the District’s (general obligation) debt are payable from the various *net pledged revenues* of the District.”³

When the District issues general obligation recreation debt, it pledges the Recreation Facility Fee (“RFF”) as additional security as NRS 318.197(1) allows [“the board may fix... recreational facilit(y) ...rates, tolls or charges...and *pledge the revenue for the payment of any indebtedness* or special obligations of the district”]. RFF revenue is assigned to the District’s Community Services Special Revenue Fund⁹ because without it, net revenues are negative. And correspondingly, general obligation recreation debt is assigned to the District’s Community Services Debt Service Fund⁵. Translation: Since spending assigned to the Community Services Special Revenue Fund exceeds revenue from sales charges and user fees, the servicing of the District’s general obligation recreation debt is paid for with the RFF.

When the District issues general obligation utility debt, it pledges water and sewer rates, tolls and charges as additional security for its payment. This rate, toll and charge revenue is assigned to the District’s Utility Fund¹⁰. And correspondingly, general obligation utility debt is assigned to the same Fund¹¹. Translation: the servicing of the District’s general obligation utility debt is paid for with water and sewer rates, tolls and charges.

Which Means There Are Essentially No Limits on the General Obligation Debt Staff Choose to Incur: The purpose for requiring municipalities to file yearly “written statement(s) of the(ir) debt management polic(ies)” with the Department of Taxation is to ensure they do not “exceed...the(ir) applicable debt limit”¹² [see NRS 350.013(1)(c)(2)]. Therefore as long as the District services its out-

⁶ Go to <https://www.leg.state.nv.us/nrs/NRS-318.html> to access all provisions of NRS 318.

⁷ Go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/FINAL_IVGID_2020.2021_APPROVED_BUDGET_FORM_4404LGF.pdf (“the 2020-21 Budget”).

⁸ See page 8, Schedule B-9 of the 2020-21 Budget.

⁹ See page 11, Schedule B-12 of the 2020-21 Budget.

¹⁰ See page 20, Schedule F-1 of the 2020-21 Budget.

¹¹ See pages 20, Schedule F-1 and 24, Schedule C-1 of the 2020-21 Budget.

¹² As staff admit (see page 17 of the 7/22/2020 Board packet), a general improvement “district may borrow money and incur or assume indebtedness therefor...so long as the total of all such

standing general obligation debt with the RFF rather than *ad valorem* taxes, there are in essence no limits on the ability to incur debt. In other words, circumvention of the State's intended protections.

Which Also Means There Are Excess Funds in the District's General Fund to Pay For Employee Salaries and Benefits: The District's *ad valorem* tax revenue is assigned to its General Fund. This is the same fund the District budgets (for 2020-21) to spend \$3,186,399 on salaries and benefits for senior staff¹³. Since but for the subsidy of central services cost contributions staff budget to overspend in the General Fund, and that subsidy comes from Utility, Community Services and Beach Fund transfers¹⁴, the reader can see that at least 73.3% of this subsidy is funded by the RFF/Beach ("BFF") Facility Fees. Which means that rather than the availability to use the District's recreational facilities and beaches which is what the Board and staff represent the RFF/BFF pay for¹⁵, the RFF/BFF by and large pay for bloated senior staff compensation and benefits.

If the District Paid the Servicing Costs For its General Obligation Debt With *Ad Valorem* Taxes, Maybe it Could Reduce Overspending in the General Fund By Like Amount, and in Turn, Reduce the RFF: Since staff budget to the dependable source of a flat RFF, if it were used to service general obligation debt rather than General Fund over-spending, perhaps staff would be forced to reduce that overspending by a like amount? And if it reduced overspending, staff wouldn't require as high a subsidy as the current RFF provides. This is the promise of paying general obligation debt with general *ad valorem* taxes.

Staff's Proposed CIP Expenditures Over the Next Five Years Demonstrate it Intends to Continue its Outrageous *Overspending*: As recited at page 18 of the 7/22/2020 Board packet, staff propose spending \$53,119,890 on new CIPs and another \$17,341,377 of carry forward CIPs¹⁶, over the next five (5) years. Let's just concentrate on just Community Services (21,209,860¹⁷) and Beach (\$4,286,180¹⁷) Fund CIPs given the RFF subsidizes the former, and the BFF subsidizes the latter. And

indebtedness (but excluding revenue bonds, special assessment bonds, and other securities constituting special obligations which are not debts) does not exceed an amount equal to 50 percent of the total of the last assessed valuation of taxable property (excluding motor vehicles) situated within such district" (NRS 318.277).

¹³ See page 10, Schedule B-11 of the 2020-21 Budget.

¹⁴ See page 8 of the 2020-21 Budget.

¹⁵ See ¶II of the "Report for the Collection on the County Tax Roll of Recreation Standby and Service Charges...known as the RFF and BFF" [see pages 111-116 of the packet of materials prepared by staff in anticipation of the Board's May 27, 2020 meeting {https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_5-27-2020.pdf ("the 5/27/2020 Board packet")}].

¹⁶ Understand these CIPs have already been funded and paid for by local parcel/utility customers. In other words, the ending fund balances for the Utility, Community Services and Beach Funds have been inflated by \$17,341,377 of carryforward CIPs.

¹⁷ See page 51 of the 7/22/2020 Board packet.

remember, but for \$400,000 towards entitlements¹⁸, CIP costs assigned to the Community Services Fund do *not* include the \$16,408,462 (in 2015 dollars) associated with the Diamond Peak Master Plan¹⁹ (“DPMP”), and those assigned to the Beach Fund do not include the \$48.85 million - \$57.75 million²⁰ associated with the Community Services Master Plan²¹.

Just look at 2021-22’s proposed CIP expenditures: \$8,133,000 in the Community Services Fund, and \$2,825,060 in the Beach Fund²². Where possibly is this money going to come from given the operational costs in both funds greatly exceed estimated revenues? Here is staff’s explanation:

“The Five Year CIP *is only a plan*...As such, no action or authority to act , especially beyond June 30, 2020, is (to be) implied.”¹⁸

This response reveals staff have no intention of discontinuing their overspending ways and looking to the RFF/BFF to bail them out financially.

Conclusion: I ask the Board do what NRS 350.0045 instructs; service the District’s general obligation debt with general *ad valorem* taxes. By using the RFF to service the District’s general obligation debt, staff is able to “free up” its possible debt limit so it can spend more by issuing general obligation bonded indebtedness. This is a real concern because at page 17 of the 7/22/2020 Board packet staff have set the stage for that indebtedness:

“The Five-Year CIP...includes one or more projects that may be financed through future debt obligations...In addition...the Community Services Master Plan...incorporate(s additional) priority projects” which are not included in the five year CIP.

Given the District’s CIP Plan reveals that staff propose continuing their overspending ways, the two sets of facts identified demonstrate staff is looking to issue general obligation debt whose servicing costs will be borne by a future and possibly higher RFF/BFF to which I object.

¹⁸ See page 19 of the 7/22/2020 Board packet.

¹⁹ See page 55 at https://www.yourtahoeplace.com/uploads/pdf-ivgid/DPMP_August_2015_10-21-2015.pdf.

²⁰ See pages 474-489 of the packet of materials prepared by staff in anticipation of the Board’s May 22, 2019 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_5-22-19.pdf (“the 5/22/2019 Board packet”)].

²¹ “The Board has acknowledged that the Five Year CIP does not fully incorporate priority projects identified in the Community Services Master Plan [https://www.yourtahoeplace.com/uploads/pdf-ivgid/General_Business_-_Attachment_-_IVGID_Final_CS_Master_Plan_190806.pdf {such as the (Incline Beach House) Restaurant and the dog park (see page 17 of the 7/22/2020 Board packet)}].

²² See page 41 of the 7/22/2020 Board packet. This page is attached as Exhibit “A” to this written statement.

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

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

EXHIBIT "A"

FIVE YEAR CAPITAL IMPROVEMENT PLAN
(Per NRS 354.5945)



Minimum level of expenditure for items classified as capital assets \$ 5,000
 Minimum level of expenditure for items classified as capital projects \$ 10,000
 Incline Village General Improvement District
 Period Beginning July 1, 2020

		FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025
Fund:	Community Services Capital Fund					
Capital Improvement:	5-Year Capital Improvement Plan	\$ 3,627,040	\$ 7,733,080	\$ 3,042,900	\$ 3,314,020	\$ 3,492,820
	Carryforward Funding from Prior Year(s)	2,500,701				
	Carry-over to future Years - Ski Master Plan		400,000			
Funding Source:	Facility Fee / Charges for Services	^^	^^	^^	^^	^^
	Fund Balance	As Needed	As Needed			
	Future Debt Financing (TBD):		Ski Way Project			
Completion Date:	Within Each Fiscal Year as Scheduled					
Fund Total		\$ 6,127,741	\$ 8,133,080	\$ 3,042,900	\$ 3,314,020	\$ 3,492,820

		FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025
Fund:	Beach Capital Fund					
Capital Improvement:	5-Year Capital Improvement Plan	\$ 454,500	\$ 2,825,060	\$ 349,000	\$ 449,500	\$ 208,100
Funding Source:	Facility Fee / Charges for Services	^^	^^	^^	^^	^^
	Fund Balance		As Needed			
Completion Date:	Within Each Fiscal Year as Scheduled					
Fund Total		\$ 454,500	\$ 2,825,060	\$ 349,000	\$ 449,500	\$ 208,100

District-wide Totals

\$ 70,461,267	Totals by Fiscal Year	\$ 14,377,677	\$ 16,353,740	\$ 12,219,850	\$ 14,840,920	\$ 12,669,080
---------------	-----------------------	---------------	---------------	---------------	---------------	---------------

List of Funding Sources:

- Property Tax - Gen. Revenues
- Charges for Services
- Debt
- Grants
- Other (Please Describe)