

**MEMORANDUM**

**TO:** Board of Trustees

**FROM:** Matthew Dent  
Chair

Josh Nelson  
General Counsel

**SUBJECT:** Review, discuss, and potentially approve Policy 22.1.0 Disclosure of Community Groups

**RELATED STRATEGIC PLAN INITIATIVES:** Long Range Principle #7 Governance

**RELATED DISTRICT POLICY:** Not Applicable

**DATE:** May 3, 2023

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**I. RECOMMENDATION**

That the Board of Trustees review, discuss, and potentially approve Policy 22.1.0 Disclosure of Community Groups.

**II. BACKGROUND**

At a meeting earlier this year, the Board discussed preparing a policy that would require Trustees and senior staff to disclose their involvement in relevant community groups and non-profits. An initial draft of the policy was presented to the Board at its April 12<sup>th</sup> meeting. During that meeting, there was no consensus about moving forward. However, two Trustees indicated support and requested that it be expanded to (1) include for profit businesses and (2) apply to entities operating in the larger Northern Nevada/Lake Tahoe area. Trustee Schmitz was not in attendance at the meeting but had provided comments that the draft policy should be similarly expanded.

Enclosed is a revised version of the policy. The draft has been modified to expand (1) its scope to include all for and non-profit entities and (2) the covered area to include all nearby Nevada and California counties. The draft also now expressly applies to Audit Committee Members.

As revised, this Policy would require Trustees, Audit Committee Members, and senior staff to disclose whether they are an employee, member, or officer of a qualifying community group. This would be defined as "for profit, not-of-profit, and non-profit associations, businesses, or entities, however organized, that are located in or otherwise operate in the Nevada counties of Douglas and Washoe, Carson City, or the California counties of El Dorado, Nevada, Placer, and Sierra." Senior staff would include department heads and supervisors with signature authority under IVGID purchasing policies.

Disclosures would be maintained by the Clerk and would be filed upon taking office and annually on a fiscal year basis. The General Manager would be responsible for adopting and enforcing personnel policies to ensure staff compliance.

### **III. FINANCIAL IMPACT AND BUDGET**

No direct impact by amendment of the Policy.

### **IV. ALTERNATIVES**

Below are alternatives to the recommended action:

1. Decline to move forward at this time with this proposed amendment.
2. Modify the proposed Policy.

### **V. BUSINESS IMPACT**

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.

### **VI. ATTACHMENTS**

1. Draft Policy 22.1.0 Disclosure of Community Non-Profit Involvement
2. Redline of Policy 22.1.0 Disclosure of Community Non-Profit Involvement compared to prior version



## Disclosure of Community Groups Policy 22.1.0

**POLICY.** The Incline Village General Improvement District emphasizes transparency and understands that state law creates minimum standards. In some instances it may be appropriate to impose stricter requirements than those set forth in the Nevada Revised Statutes (NRS). While IVGID encourages Trustees and employees to be involved in local community groups, this involvement may result in real or perceived conflicts of interest. Various provisions of the NRS, including NRS 281A, prohibit IVGID officials from participating in decisions affecting their “commitments in a private capacity” and otherwise impose disclosure or recusal requirements on decisions impacting officials’ organizations.

While these requirements impose important minimum standards that avoid actual conflicts of interest, they do not provide transparency regarding potential conflicts of interest or otherwise ensure that officials are proactively disclosing potential conflicts of interest.

To provide additional transparency beyond state minimum requirements, IVGID Trustees, Audit Committee Members, and senior management employees shall annually report any community group or organization to which they are an employee, member, or officer. Senior employees shall include the General Manager, department heads, and any supervisors with signature authority under Policies 20.1.0 or 21.1.0 as identified by the General Manager. Qualifying groups and organizations shall be for profit, not-of-profit, and non-profit associations, businesses, or entities, however organized, that are located in or otherwise operate in the Nevada counties of Douglas and Washoe, Carson City, or the California counties of El Dorado, Nevada, Placer, and Sierra.

Annual reports shall be made on a fiscal year basis due by July 15<sup>th</sup> of each year. Employees or Trustees that assume office after July 15<sup>th</sup> shall file a disclosure within thirty days of assuming office.

**RESPONSIBILITY.** The District Clerk shall be responsible for developing reporting forms, notifying officials of their obligation to file reports, and maintaining such reports. All forms shall be public records.

The General Manager shall adopt and enforce personnel policies to ensure compliance with this Policy. The Board of Trustees shall enforce this Policy against Trustees, Audit Committee Members, and the General Manager.





## Disclosure of Community ~~Non-Profit Involvement~~Groups Policy 22.1.0

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<b>Summary report:</b>	
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