



Incline Village General Improvement District



Forensic Due Diligence Accounting Services Review

Preliminary and Tentative
Draft For Discussion Purposes Only



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August 7, 2024

Ray Tulloch, Audit Committee Chairman
Incline Village General Improvement District
893 Southwood Blvd.
Incline Village, NV 89451

Dear Mr. Tulloch,

We have completed our scope of work pursuant to the forensic due diligence¹ accounting services requested by Incline Village General Improvement District and are pleased to present our report to you. The accompanying report includes an introduction and summary of work performed, together with an executive summary, a detailed summary of our observations and recommendations, and the accompanying appendices.

This report has been prepared in accordance with the terms of our engagement as consultants and should not be used for any other purpose. The information in this report is based on information provided to us, which has not been examined or reviewed by us in accordance with attestation standards promulgated by the American Institute of Certified Public Accountants.

This report is intended solely for the information and use of management and is not intended to be, and should not be, used by anyone other than management.

We would like to express our gratitude to the employees involved with this project. Each person involved was accessible and responsive to our requests for information.

Sincerely,

RubinBrown LLP

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¹ The term due diligence for purposes of this project is an analysis of certain transactions and processes and was not performed in conjunction with a buy or sell transaction as due diligence may traditionally be thought of.

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Introduction

Background

In 1961, the community of Incline Village was being developed by the Crystal Bay Development Company. In order to pay for improvements, Incline Village General Improvement District ("District", "IVGID") was created by Washoe County on June 1, 1961 authorizing the newly created District to levy taxes to pay for improvements and for five elected Trustees to set up and run the District.

Currently IVGID's structure includes eight departments overseen by a General Manager, who reports to the Board of Trustees. The departments include Information Technology, Human Resources, Finance, Administrative Services, Parks and Recreation, Ski, Golf and Community Services, and Public Works.

Scope

We were engaged to perform forensic due diligence accounting services for IVGID, and the scope of our services is as detailed in our agreement dated February 5, 2024.² Our scope covers three fiscal years, including July 1, 2020 through June 30, 2021 ("FY2021", "fiscal year 2021"), July 1, 2021 through June 30, 2022 ("FY2022", "fiscal year 2022") and July 1, 2022 through June 30, 2023 ("FY2023", "fiscal year 2023"), collectively identified as the "Scope Period"³. Our scope of work is provided below for reference:

- 1) Interview 20 individuals including the IVGID Trustees, IVGID General Manager, IVGID Department Heads, and two at-large Audit Committee Members.
- 2) Search three years of emails, for the period July 1, 2020 through June 30, 2023, for up to 12 individuals as determined by RubinBrown looking for indications of inappropriate financial activity.
- 3) Vendor Disbursements Analysis - Perform analysis of the vendor disbursements using the underlying accounting system data for three years to understand trends and identify irregularities and/or errors. Perform tests to verify the validity of the vendors to whom disbursements are made to assess whether or not any vendor disbursements are to "dummy" (e.g. fake) or related party vendors.
- 4) Vendor Award (Procure to Pay) Process - RubinBrown will review the process for awarding contracts to vendors and specifically review the award of contracts over a certain dollar threshold (\$500,000 as a starting point), up to 10 per fiscal year, for the period July 1, 2020 through June 30, 2023. This will include:
 - a. Determining who was in consideration for certain contracts.
 - b. The cost associated with the various bidders.
 - c. The rationale for awarding the contract to the chosen bidder.
 - d. Approvals in line with established DOA.
 - e. Show bid comparisons and % difference from awardee to lowest bid.

² RubinBrown Executed Contract 2.5.2024

³ Our scope of work was limited exclusively to the Scope Period and we did not look at activity and/or data outside of this identified Scope Period, aside from verbal updates from Baker Tilly and/or IVGID personnel.

NOTE: This will also include review of change orders and contract modifications.

- 5) Credit Cards - RubinBrown will analyze credit card activity for three years for up to 8 members of the IVGID team, as determined by RubinBrown in consultation with the Interim Director of Finance and the Chair of the Audit Committee. As part of this, RubinBrown will:
 - a. Analyze the data at a transaction level and, where possible, tie those transactions to supporting documentation (i.e. receipts).
 - b. Review that charges are in line with any established policies, if applicable.
 - c. Determine how charges are paid/reimbursed to ensure they were not paid twice (i.e. Accounts Payable and expense report).
 - d. Review for separation of duties for review/approval.
- 6) Financial Reporting - Specifically review the accounting for the following areas:
 - a. Capital accounting for land and equipment.
 - i. Capex project approval process (initial and overruns).
 - ii. Review capital projects for potential bid splitting.
 - b. Review capitalization vs. expensing of repairs and maintenance costs against established policies.
 - c. Cash
 - i. Physical access to vault and schedule of deposits.
 - ii. Policy on petty cash on hand.
 - iii. Review bank reconciliations prepared for all bank accounts during three year period to determine nature of reconciling items and appropriate disposition. Assess impact of bank accounts that remain unreconciled.
 - d. Review client provided list of whistle blower activity related to financial reporting and follow up procedures to be agreed upon with the client.
- 7) Financial Statement Analysis - Using the underlying data from accounting system exports, perform analysis of the detailed profit and loss statements and detailed balance sheets for three years to understand trends and identify irregularities and/or errors. We will also analyze the underlying transaction data from a General Ledger export to investigate for any irregularities.
- 8) Review the existing written cash handling procedures, and make recommendations for improving them including:
 - a. Physical access and chain of custody at three locations with the largest cash transactions.
 - b. Reconciliation of cash drawers to transaction logs.
 - c. Review samples of cash handling for compliance with policy.
- 9) Fraud Risk Assessment - RubinBrown will perform a fraud risk assessment using the template included in our proposal. Based on RubinBrown's review of documentation, interviews and analysis, we will customize this risk assessment to IVGID's needs. The completed assessment along with RubinBrown's recommendations deriving therefrom will serve as one of the deliverables on this project.
- 10) Investigation into up to 12 whistleblower complaints, as identified by the Chair of the

Audit Committee.⁴

11) Investigation into up to 7 specific complaints, as identified by the Interim Director of Finance, based on information received from the forensic auditor, internal staff, the Chair of the Audit Committee, and/or members of the community.⁵

12) Reporting - There are two deliverables as part of this engagement. The first is a report reflecting RubinBrown's findings resulting from the review of materials and related analysis. The second is RubinBrown's fraud risk assessment and related recommendations derived from it.

Summary of Work Performed

For task 1, we interviewed the following 12 individuals as we deemed these interviewees provided sufficient coverage for this task:

Ray Tulloch	Erin Feore	Sara Schmitz	Shelia Leijon
Michaela Tonking	Heather Potts	Dave Noble	Kate Nelson
Matthew Dent	Susan Herron	Mike Bandelin	Bobby Magee

For task 2, we obtained 2,198 emails based on specific parameters, including, but not limited to, the following:

- 1) Emails sent and received by specific individuals as determined by RubinBrown,
- 2) Emails sent and received during our Scope Period, and
- 3) Emails sent and received that contained specific keywords determined by RubinBrown.

Prior to receipt of emails, IVGID removed emails identified as privileged, which included the removal of email communications between IVGID attorneys and emails containing human resource information and/or other confidential personal information. Prior to review of emails, RubinBrown removed an additional 192 emails we deemed privileged.


We reviewed and analyzed the available emails for evidence of improper financial activity, and any information supporting the engagement's other scope areas.

For task 3, we obtained a disbursement listing during our Scope Period and performed analyses, including, but not limited to, the following:

- 1) An analysis of disbursements by year and by month;
- 2) An analysis of disbursements by vendor based on volume and dollar value of the disbursements;
- 3) An analysis of disbursements with rounded dollar values and/or unusual dollar values;
- 4) An analysis of disbursements of certain IVGID departments based upon materiality and risk;

⁴ Any findings from this scope area are denoted in our observations within our report.

⁵ Any findings from this scope area are denoted in our observations within our report.

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- 5) An analysis of disbursements relating to specific inventory items, including food and beverage purchases;
 - 6) An analysis of the vendor master file including validity of vendor names, addresses, and other vendor information;
 - 7) Testing of specific disbursements to confirm validity of the vendor and appropriateness of disbursement amount;
 - 8) A comparison of vendor master file and employee master file to identify potential duplications and overlapping data and testing of duplications and overlapping data;
 - 9) An analysis of duplicated invoices between the Innoprise accounting system and the Tyler Munis accounting system;
 - 10) An analysis of initiators and approvers for vendor disbursements;
 - 11) An analysis of disbursements to related parties and/or employees;
 - 12) A reconciliation of disbursements paid and the disbursements posted to the general ledger; and
 - 13) An analysis of check number sequencing and a comparison of missing check numbers to bank statements.


For task 4, we obtained various IVGID purchasing policies and the five-year capital improvement plan summaries for each year of our Scope Period. We reviewed the purchasing policies for process improvements and for compliance with the Nevada Revised Statutes ("NRS"). We made specific selections for vendor awarded contracts and obtained contract support to review the bidding process, contract budget and associated Board of Trustees approvals, change orders, contract modifications, and other various areas to conclude on the appropriateness of the vendor awarded contract and its compliance with IVGID's purchasing policies and the NRS's purchasing policies. Further, we reviewed the process for capitalizing versus expensing specific capital improvement projects.

For task 5, we obtained procurement card records for specific individuals over the Scope Period. We made selections to obtain support to make conclusions on the appropriateness of the transaction support, to ensure the transaction was in line with IVGID procurement card policy, and to determine if a thorough review of expense reports is performed. Further, we reviewed the payments associated with these procurement card selections.

For task 6, we obtained IVGID's capital expenditure ("CapEx") and cash policies. In conjunction with the 'Purchasing Policy for Goods and Services Policy 20.1.0' ("CapEx Policy"), we did the following:

- 1) Reviewed the CapEx policy for improvements regarding capital accounting for land and equipment;
- 2) Reviewed the District's policy and procedures for capitalizing versus expensing repairs and maintenance costs; and
- 3) Tested individual transactions that were capitalized during the Scope Period to ensure appropriateness of the capitalization.

In conjunction with IVGID's Policies and Procedures Manual – Cash ("Cash Policy"), we did the following:

- 
- 1) Reviewed access rights and petty cash policies; and
 - 2) Reviewed the bank reconciliations for IVGID's operating account, health reimbursement account ("HRA"), flexible spending account ("FSA"), and holdings bank account during the Scope Period to identify and assess unreconciled items.

For task 7, we obtained the detailed sales listings from the Vermont point-of-sale ("POS") system ("Vermont POS system") and the Resort Technology Partners ("RTP") POS system during our Scope Period and performed analysis, including, but not limited to, the following:


- 1) A reconciliation from the revenue detailed listings to the trial balances to identify differences;
- 2) Various analyses of RTP sales by scope year, by location (i.e. child ski center, main lodge BBQ), by sales type (i.e. ski group lesson, beverage), and by item type (i.e. group full day lessons, beer) to identify significant and/or unusual revenue fluctuations;
- 3) Testing of individual RTP POS system locations with significant revenue fluctuations year over year to understand rationale for increases or decreases in revenue;
- 4) An analysis of Vermont POS system merchandise sales and discounts by scope year and by golf course to identify unusual trends and/or inappropriate or unapproved discounts;
- 5) An analysis of user accounts in the Vermont POS system to identify inappropriate user access;
- 6) An analysis of merchandise discounts given by user accounts in the Vermont POS system to identify individual employees who may be giving unapproved and/or significant discounts;
- 7) An analysis of green fee sales and discounts by scope year, by golf course, and by type (i.e. resident, non-resident, guest of resident) to identify unusual and/or significant fluctuations;
- 8) Testing of individual green fee transactions to obtain support for appropriateness and approval of discounts;
- 9) Testing of individual green fee play pass transactions to obtain support for appropriateness and verification for use of the play pass; and
- 10) Testing of individual general ledger transactions for the Vermont POS system, RTP POS system, and green fees detailed listing.

Further, we performed a comparison of the financial statement account classifications on the trial balance to the financial statement balances on the profit and loss statements and detailed balance sheets to identify unapproved and/or inappropriate changes in financial statement classifications during the manual financial statement consolidation process.

For task 8, we obtained the Cash Policy to make recommendations regarding cash access and cash drawer reconciliations if necessary. Further, we performed an on-site observation of a cash walkthrough⁶ to ensure compliance with the Cash Policy.

For task 9, we performed a fraud risk assessment based on our observations, interviews, and analyses, which is attached as Appendix 1 to this report.

⁶ We performed an on-site cash walkthrough that consisted of observing IVGID team members during key points of the cash movement process at specific IVGID locations including accessing the District's main vault.



For task 10, we reviewed and performed testing on five whistleblower complaints that related to the accounting and/or finance functions and that were not already being tested within a different scope area.⁷

For task 11, we reviewed and performed testing on five individual complaints that were advised to us by internal staff and/or the Chair of the Audit Committee.⁶

We have attached Appendix 2 to this report which contains charts for specific analyses we performed in conjunction with the scope items above.

Executive Summary of Observations

We have identified a high risk of fraud⁸ and abuse within IVGID's control environment given the aggregation of the internal control weaknesses identified at the transactional level all the way through the review and monitoring process of internal controls within the District. IVGID's lack of internal controls around the financial reporting function makes it difficult for the organization to effectively detect or prevent inappropriate activity.

As examples, some data was not available as seen in Figure 1, some support was not available as seen in Figures 5 and 6, and inconsistencies exist between data reported in the accounting system and POS systems as discussed in observation 1.

Some observations to highlight also include a lack of internal controls around IVGID's disbursement process. We identified instances where vendor disbursements were paid that had an employee both initiate and approve the disbursement and several instances where vendor disbursements had no approver.⁹ Refer to Figure 1 for approver status by disbursement amount and by number of instances for each year within the Scope Period.¹⁰

⁷ Any findings from this area are denoted in our observations within our report.

⁸ In terms of what would constitute fraud, that determination has to be ultimately concluded by a judge and/or jury but types of fraud include intentional misstatement of financial statements, misappropriation of assets, and corruption.

⁹ IVGID represents based upon their review that many of these unapproved transactions appear to have been subsequently cancelled or voided.

¹⁰ Due to system limitations, we were unable to obtain the initiator and approver data for all disbursements reviewed throughout the Scope Period, and we have differentiated those disbursements in Figure 1.

Figure 1 Approver Status by Disbursement Amount and Number of Instances in Fiscal Year 2021

Approver Status	Disbursement Amounts	Percentage of Total	Number of Instances	Percentage of Total
No Approver	\$ 1,267,967	7%	64	1%
Created and Approved by Same Individual	\$ 1,767,260	10%	26	0%
Approved by Another Individual	\$ 14,754,464	83%	6,668	99%
Data Unavailable	\$ 11,236	0%	3	0%
Total	\$ 17,800,927	100%	6,761	100%

Figure 1 Approver Status by Disbursement Amount and Number of Instances in Fiscal Year 2022

Approver Status	Disbursement Amounts	Percentage of Total	Number of Instances	Percentage of Total
No Approver	\$ 810,525	5%	58	1%
Created and Approved by Same Individual	\$ 11,686	0%	12	0%
Approved by Another Individual	\$ 17,149,702	93%	7,147	96%
Data Unavailable	\$ 420,698	2%	199	3%
Total	\$ 18,392,611	100%	7,416	100%

Figure 1 Approver Status by Disbursement Amount and Number of Instances in Fiscal Year 2023

Approver Status	Disbursement Amounts	Percentage of Total	Number of Instances	Percentage of Total
No Approver	\$ (9,641)	0%	71	1%
Created and Approved by Same Individual	\$ 254,715	1%	217	2%
Approved by Another Individual	\$ 17,939,220	63%	6,515	65%
Data Unavailable	\$ 10,209,851	36%	3,203	32%
Total	\$ 28,394,145	100%	10,006	100%

The issues we have identified above and throughout our report are a result of a number of issues including the loose culture around controls over the finance and accounting functions, which has resulted in a lack of preparing reconciliations and lack of segregation of duties. Other issues identified include high turnover and the management-led implementation of a new accounting system that was not effectively executed and continues to be underutilized by IVGID departments and does not reflect an effective internal control environment. These observations, along with the detailed observations in our report, indicate one or more of the following:

- a lack of compliance with written procedures and policies;
- a lack of internal controls; and
- mismanagement of the District.

Throughout this report, we have made a number of recommendations to improve IVGID's compliance with procedures, internal controls, and management of the District, which can be implemented to reduce the risks identified during the Scope Period.

As a first priority, IVGID should ensure that management represents an appropriate tone at the top, and management should develop, maintain, and monitor an improved internal control environment. Per the District's Resolution 1898 'Personnel Management', the Board of Trustees is responsible for establishing overall policies and the General Manager is responsible for applying these policies within the day-to-day activities of the District. As such, the tone at the top should be cultivated together by the Board of Trustees and General Manager and flow through to other senior leadership and ultimately to IVGID staff. After an effective tone at the top is established, and an improved internal control environment is in place, the next step should ensure that the Tyler Munis accounting system is running accurately and effectively, which includes implementing preventative and detective controls, some of which we discuss in recommendations throughout our report.

IVGID should consider our fraud risk ranking of the observations in our report and determine the most appropriate course of action for remediating these observations. Refer to Figure 2 for our

consolidated fraud risk rankings and refer to each specific observation in the report for its individual risk ranking.

Figure 2 Fraud Risk Rankings

<u>Number of Observations</u>	<u>High</u>	<u>Moderate</u>	<u>Low</u>
41	16	12	13

Detailed Observations and Recommendations

Observation #1: Tyler Munis Implementation

Fraud Risk: **High**

IVGID converted to the Tyler Munis accounting system in July 2022. There has been an ongoing lack of consistent and timely issuance of financial reporting since the Tyler Munis system implementation occurred. This is due to an unsuccessful implementation, which is a result of poor planning and poor execution and not the functionality of the accounting system itself. Other impacts from the Tyler Munis system implementation include, but are not limited to, the following:

- (1) There are POS systems that are independent of the accounting system where customer transactions are recorded in real-time at, for example, the various golf courses and merchandise stores, during customer check-outs. Data from the POS systems are typically exported daily and/or multiple times a week to be input into the Tyler Munis system by the accounting staff. It is difficult to export reports correctly after the implementation occurred, and thus multiple reports for the same dataset may contain different results depending on whether or not the report is exported from the POS systems or the Tyler Munis system. For example, we observed unexplained variances between the exported sales reports from the POS systems and the Tyler Munis system. Further, IVGID was unable to extract certain data from the Tyler Munis system. Refer to observation 2 in this report for an example of data that management was unable to extract from the Tyler Munis system.
- (2) IVGID was unable to make vendor payments from the Tyler Munis system until January 2023. As a result, IVGID would process an invoice and make the invoice payment through Innoprise, the prior accounting system, and IVGID would simultaneously input the invoice into the Tyler Munis system. In effect, the invoices in the Tyler Munis system were shown as approved, but not paid (i.e. outstanding invoices), although they were paid through the Innoprise system. IVGID made efforts to remove paid invoices that were entered into both systems. Within our analysis, we were unable to identify evidence of duplicated payments between the two systems.
- (3) As a result of the duplicative transactions entered into the Innoprise system and Tyler Munis system, IVGID encountered challenges when performing bank reconciliations. Refer to observations 4, 5, 6, and 7 in our report for further details regarding bank reconciliations.
- (4) IVGID departments are tracking activity outside of the Tyler Munis system in Excel spreadsheets. For example, Public Works is tracking project spend information outside of the Tyler Munis system in Excel spreadsheets as there are issues accumulating and coding costs in

the Tyler Munis system. It is unclear how often this project spend information on the Excel spreadsheets are updated and reconciled to the Tyler Munis system.

Recommendation:

We recommend IVGID hire dedicated resources to assess, and assist with, the implementation of the Tyler Munis system. It is our understanding that the Assistant Director of Finance and the Director of Information Technology are working diligently on this.

Observation #2: Initiators and Approvers of Vendor Disbursements

Fraud Risk: **High**

As mentioned in the "Executive Summary of Observations" section of our report, we identified several instances involving vendor disbursements that were made by an employee that both initiated and approved the disbursement, as well as several instances involving vendor disbursements that had no approver. Refer to Figure 1 below, also seen within the "Executive Summary of Observations" section of our report, for approver status by disbursement amount and by number of instances for each year within the Scope Period.

Figure 1 Approver Status by Disbursement Amount and Number of Instances in Fiscal Year 2021

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Data Unavailable	\$ 10,209,851	36%	3,203	32%
Total	\$ 28,394,145	100%	10,006	100%

Seven IVGID employees authorized disbursements without approval for the following disbursement amounts and number of instances as shown in Figure 3. Additionally, eight IVGID employees authorized and approved their own disbursements, which represents the lack of proper segregation of duties within the disbursement process. The disbursement amounts and number of instances can be seen in Figure 4. We made selections for specific instances of these unapproved disbursements and disbursements created and approved by the same individual. We ensured our selections were for various disbursement amounts, vendors, transaction dates, and were inclusive of different IVGID personnel to ensure a variety of samples throughout the scope period. We inquired with Management for how and why this occurred, and Management explained that the occurrences were due to a lack of personnel.

Figure 3 No Approver by Employee, Disbursement Amount and Number of Instances in Fiscal Year 2021

Employee	Disbursement Amounts	Number of Instances
A	\$ 348,271	34
B	\$ 841,457	2
C	\$ 65,126	22
E	\$ 12,798	4
F	\$ 259	1
G	\$ 56	1
	<u>\$ 1,267,967</u>	<u>64</u>

Figure 3 No Approver by Employee, Disbursement Amount and Number of Instances in Fiscal Year 2022

Employee	Disbursement Amounts	Number of Instances
A	\$ 665,028	52
B	\$ 133,770	2
F	\$ 11,727	4
	<u>\$ 810,525</u>	<u>58</u>

Figure 3 No Approver by Employee, Disbursement Amount and Number of Instances in Fiscal Year 2023

Employee	Disbursement Amounts	Number of Instances
A	\$ (27,935)	45
D	\$ 32,354	3
F	\$ (6,635)	18
G	\$ (7,425)	5
	<u>\$ (9,641)</u>	<u>71</u>

Figure 4 Created and Approved by Same Individual by Employee, Disbursement Amount and Number of Instances in Fiscal Year 2021

Employee	Disbursement Amounts	Number of Instances
E	\$ 899,357	21
B	\$ 520,891	4
H	\$ 347,012	1
	<u>\$ 1,767,260</u>	<u>26</u>

Figure 4 Created and Approved by Same Individual by Employee, Disbursement Amount and Number of Instances in Fiscal Year 2022

Employee	Disbursement Amounts	Number of Instances
F	\$ 11,686	12
	<u>\$ 11,686</u>	<u>12</u>

Figure 4 Created and Approved by Same Individual by Employee, Disbursement Amount and Number of Instances in Fiscal Year 2023

Employee	Disbursement Amounts	Number of Instances
D	\$ 128,382	15
F	\$ 449	1
A	\$ 1,248	1
G	\$ 124,584	198
I	\$ 52	2
	\$ 254,715	217

Further, two individuals interchangeably initiated and approved one another's disbursements during the Scope Period, and these individuals are at different staff levels. This may occur due to the lack of personnel in the disbursement department, whereas an employee who typically initiates a disbursement may need to approve a disbursement and vice versa to maintain segregation of duties. The lack of proper segregation of duties is a result of the loose internal control culture within the District.

A comprehensive review of user access has not been performed since prior to the implementation of the Tyler Munis system.

Recommendation:

We recommend each vendor disbursement have a separate initiator and approver to ensure proper segregation of duties within the disbursement process. We recommend a list (i.e., delegation of authority) of initiators and approvers be retained, updated, and reviewed as needed and the user access in the Tyler Munis system match the approved roles. We recommend initiators and approvers be determined based on staff level and approvers should be at an appropriate level of hierarchy above the initiator. Further, we recommend the disbursements be reviewed on a recurring basis to ensure vendor disbursements were initiated and approved at the appropriate level.

Observation #3: Insufficient Support for Vendor Disbursements

Fraud Risk: **High**

We selected thirty samples to obtain vendor support to assess the appropriateness of the disbursement and validity of the vendor. We ensured the samples were for different vendors with various disbursement amounts and disbursement dates throughout the scope period. Of the thirty samples reviewed, we identified two instances where disbursements were paid to various vendors with no underlying support available for the vendor disbursement. Additionally, we identified five instances where disbursements were paid to various vendors with only internal support provided (i.e. email chain between IVGID employees discussing the vendor amount due) and no third-party support available (i.e. vendor invoice verifying the amount due). The risk with no third-party support available for a disbursement is there is no confirmation that the vendor is not fictitious and no verification of the amount due. Refer to Figure 5 for specifics on the disbursement amount and vendor for the exceptions identified.

Figure 5 Exceptions of Insufficient Support for Vendor Disbursements

Vendor	Disbursement Year	Disbursement Amount	Exception Identified
Board of Regents	FY2023	\$ 5,600	No support available.
Troy Akin	FY2022	\$ 3,000	No support available.
D.N.V Trust	FY2023	\$ 2,410	No third-party support available.
Veterans Guest House	FY2023	\$ 2,000	No third-party support available.
Honor Flight NV	FY2023	\$ 2,000	No third-party support available.
TRPA - Tahoe Regional Planning Agency	FY2021	\$ 802	No third-party support available.
CA State Controller	FY2021	\$ 119	No third-party support available.
		<u>\$ 15,931</u>	

We made additional selections for vendors that had an exception. We identified five of the seven vendor exceptions did not have additional disbursements during our Scope Period to select for additional testing. For the remaining two vendor exceptions, we identified one vendor had two additional disbursements, in which we elected to test both disbursements, and the other vendor had numerous additional disbursements in which we elected to test five additional disbursements. Of the seven additional selections, we identified two instances that had no third-party support available. Refer to Figure 6 for specifics on the disbursement amount and vendor for the additional exceptions identified.

Figure 6 Additional Exceptions of Insufficient Support for Vendor Disbursements

Vendor	Disbursement Year	Disbursement Amount	Exception Identified
CA State Controller	FY2022	\$ 824	No third-party support available.
CA State Controller	FY2021	\$ 384	No third-party support available.
		<u>\$ 1,208</u>	

These nine exceptions total approximately \$17,139 of the total sample value of \$119,428, or 14.35%. Lack of support to substantiate the vendor disbursements illustrates a lack of controls around the vendor disbursements process and a substantial financial risk for IVGID.

Recommendation:

In conjunction with the initiation of a vendor disbursement within the Tyler Munis system, we recommend the initiator perform a three-way match between the purchase order, vendor invoice, and goods received report (if applicable) prior to approving the disbursement, and the initiator should attach this support to the disbursement. Further, we recommend the approver ensures support is sufficient before approving a disbursement.

Observation #4: Operating Bank Account and Bank Reconciliations

Fraud Risk: **High**

There is an IVGID operating bank account used for daily and normal operating activities.

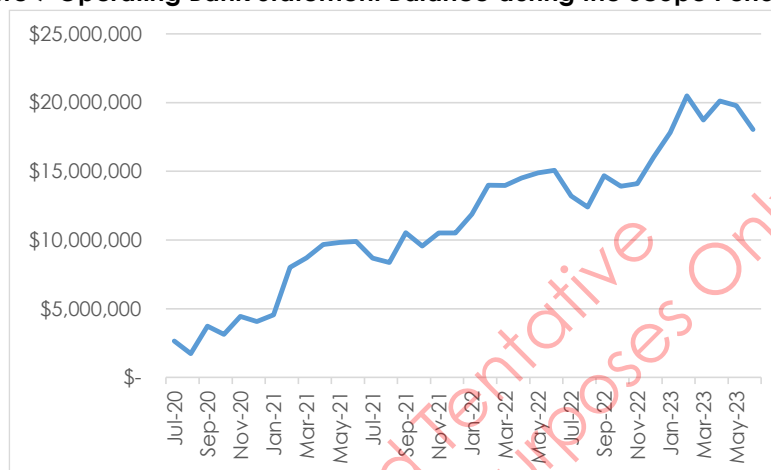
Per discussions with management, bank reconciliations over the IVGID operating account were not performed in a timely manner at the beginning of the Scope Period from July 2020 to June 2022. The lack of performing timely reconciliations is a result of the loose internal control culture within the District.

Beginning July 2022 and through the remainder of our Scope Period, bank reconciliations over the IVGID operating account were not performed. Baker Tilly, an accounting and consulting firm, was engaged by IVGID to perform bank reconciliations for IVGID's operating bank account for the period of July 2022 to June 2023. We were informed by Baker Tilly that their services concluded in June 2024. As of the conclusion of their services, Baker Tilly acknowledges the bank account reconciliations still

do not balance to zero and IVGID is working to adjust the Tyler Munis system for any issues and adjustments needed relating to fiscal year 2023. Additionally, Baker Tilly has trained a current IVGID employee on how to properly prepare the monthly bank reconciliations.

The IVGID operating account is the largest IVGID bank account and has the most activity of the five accounts we reviewed during the Scope Period. Refer to Figure 7 for the balance of the operating account over the Scope Period.

Figure 7 Operating Bank Statement Balance during the Scope Period



Although there is a large increasing operating account balance over the Scope Period, the risk with this bank account is referenced in observation 6 in our report which suggests the activity and balance within this bank account may not reflect all the activity it should due to a lack of reconciliation control.

Recommendation:

We recommend IVGID perform an analysis of the operating bank account to ensure high-volume activity and the increasing balance trend is accurate. Further, we recommend monitoring the operating bank account on a recurring basis as this bank account has an elevated risk of inappropriate activity due to the lack of reconciliation control.

We recommend performing bank reconciliations on all bank accounts no later than 30 days following month-end. Bank reconciliations should include supporting documentation for all reconciling items, including, but not limited to, deposits in transit and outstanding checks. Additionally, we recommend that IVGID designate and assigns employee responsibilities related to preparing and completing the bank reconciliations with the proper segregation of duties and each reconciliation be signed and dated by the appropriate preparer and reviewer. Further, we recommend providing the Board of Trustees with a quarterly reporting package, including the bank reconciliations for transparency, and to ensure a timely completion and review of the key financial information as determined by the Board.

Observation #5: Other Bank Accounts and Bank Reconciliations

Fraud Risk: **High**

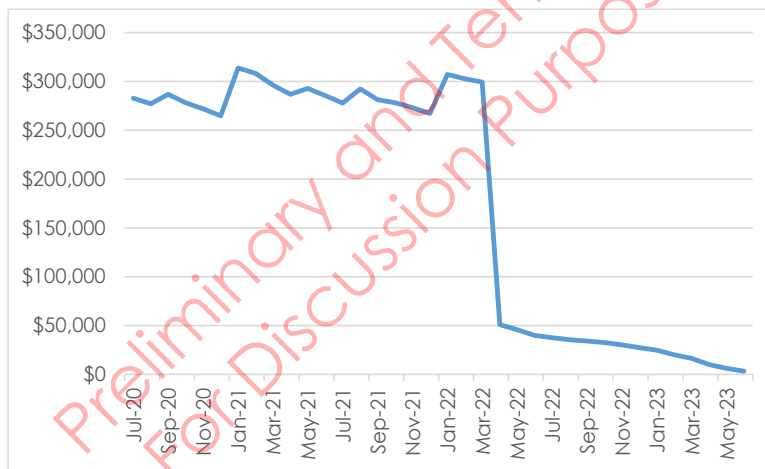
Per our review, IVGID has other bank accounts, aside from the operating bank account, including:

- (1) A payroll bank account which is a clearing account used to process payroll funded by the operating account,
- (2) A health reimbursement bank account used for retaining funds for employee health reimbursements funded by the District,
- (3) A flexible spending bank account used for retaining funds for employee health savings funded by employee elected withholdings for health savings, and
- (4) A holdings bank account that was closed in June 2022 as the bank account was no longer in use.

IVGID does not perform bank reconciliations on the payroll, HRA, FSA, or holding bank accounts. The lack of performing timely reconciliations is a result of the loose internal control culture within the District.

In our review of the bank accounts, no items of interest for the payroll, HRA, FSA, or the holding bank accounts were identified as the frequency and nature of the transactions in these accounts are minimal and significantly less than the operating account. Refer to Figure 8 for the consolidated balance of the payroll, HRA, FSA, and holdings bank account over the Scope Period.

Figure 8 Consolidated Payroll, HRA, FSA, and Holdings Bank Statement Balances during the Scope Period



Recommendation:

We recommend performing bank reconciliations on all bank accounts no later than 30 days following month-end. Bank reconciliations should include supporting documentation for all reconciling items, including, but not limited to, deposits in transit and outstanding checks. Additionally, we recommend that IVGID designates and assigns employee responsibilities related to preparing and completing the bank reconciliations with the proper segregation of duties and each reconciliation be signed and dated by the appropriate preparer and reviewer. Further, we recommend providing the Board of Trustees with a quarterly reporting package, including the bank reconciliations for transparency, and to ensure a timely completion and review of the key financial information as determined by the Board.

Observation #6: Operating Bank Account Reconciliations Have Unreconciled Differences

Fraud Risk: **High**

We reviewed the bank reconciliations available for the operating bank account during the Scope Period, and we observed that the reconciliations show large unreconciled differences between the bank statements and the general ledger balances. For example, the June 2023 bank reconciliation for the operating bank account shows an unreconciled difference of approximately \$7,000,000 between the bank balance of approximately \$18,000,000 and the general ledger balance of approximately \$25,000,000. Refer to Figure 9 for a comparison of the bank statement balances to the general ledger balances, prior to considering management's reconciling items and Baker Tilly's involvement. As mentioned, we understand that Baker Tilly was engaged to perform bank reconciliations, and the scope of their work was completed in June 2024. Refer to observation 4 for further details over Baker Tilly's completed work.

Figure 9 Comparison of Operating Bank Statement Balances to General Ledger Balances in Fiscal Year 2021

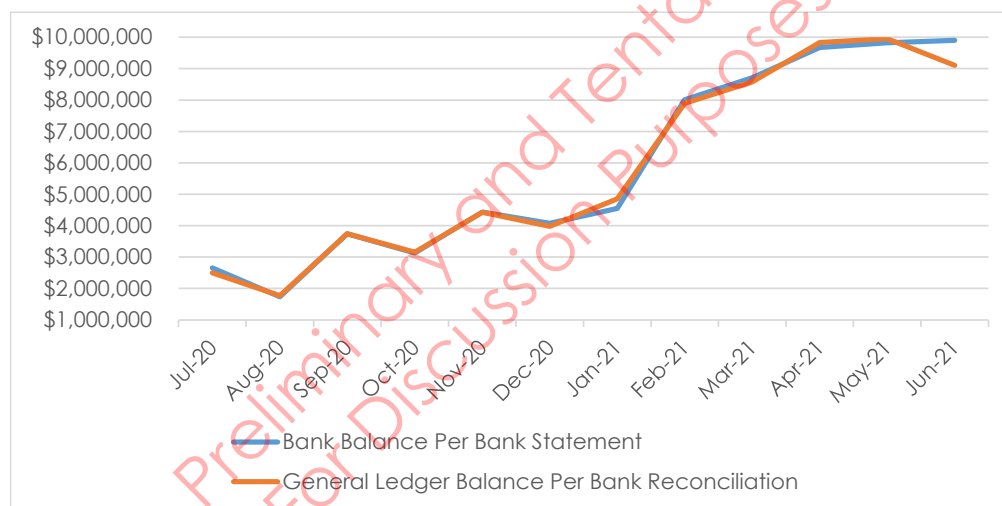


Figure 9 Comparison of Operating Bank Statement Balances to General Ledger Balances in Fiscal Year 2022

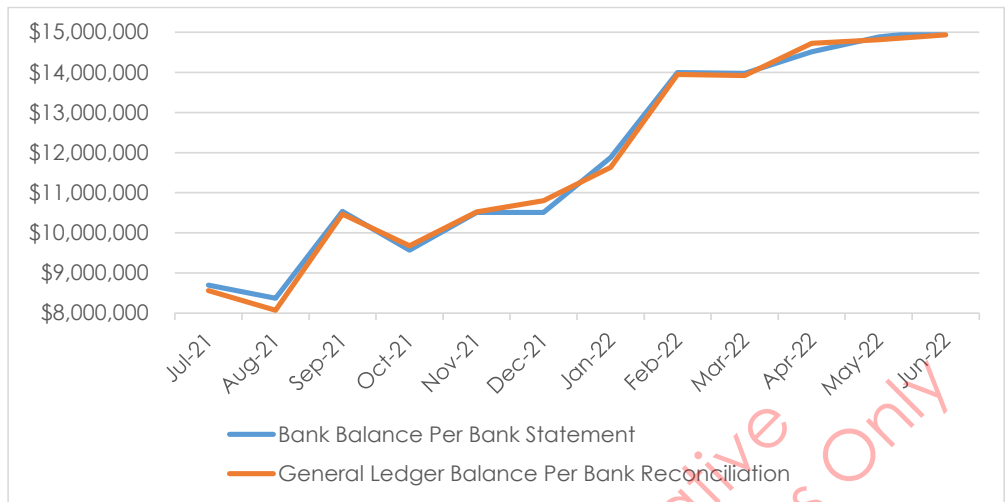
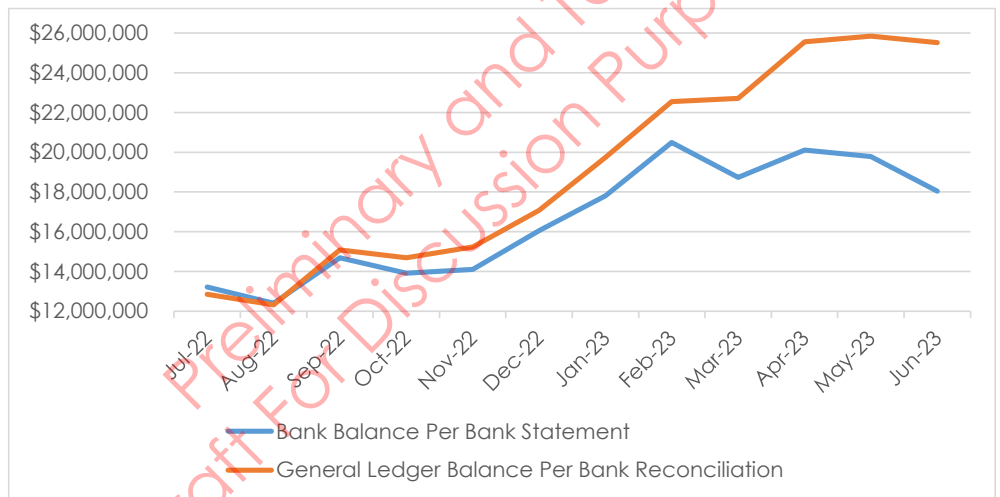


Figure 9 Comparison of Operating Bank Statement Balances to General Ledger Balances in Fiscal Year 2023




Recommendation:

We recommend IVGID investigate and resolve unreconciled items in all bank reconciliations. We recommend bank reconciliations are reviewed for timeliness and clarity relating to the research, explanation, and clearing of reconciling transactions. Further, we recommend IVGID prepare clear and easy-to-follow reconciliations that reconcile the bank balance to the general ledger balance.

Observation #7: Cash Entries Posted to General Ledger

Fraud Risk: **High**

Based on our review of the bank reconciliations available, we observed that IVGID would manually record a monthly lump sum entry into the general ledger to take into consideration the net cash activity shown in the operating account's monthly bank statements. Individual entries for the individual cash transactions in the operating account were not recorded in the general ledger.



Further, we also observed that the lump sum manual entries were not recorded in the accounting system in a timely manner.

Recommendation:

When preparing the bank reconciliations, we recommend that IVGID record the individual cash transactions (i.e. venue driven detail), as shown in the bank statements, in the general ledger, instead of manually recording lump sum entries for the monthly net cash activity. Further, the entries should be recorded no later than 30 days following month-end.

Observation #8: Treatment of Capital Costs

Fraud Risk: **High**

For the fiscal year 2021 the capital asset activity spreadsheet and trial balance information provided for our review were not at a sufficient level of detail to permit the selection of individual transactions for testing. The IVGID personnel responsible for overseeing the District's capital asset accounting were hired and/or became responsible for this accounting after the Scope Period and, as a result, did not have knowledge of IVGID's historical accounting for procurement transactions during the Scope Period. Thus, we were unable to obtain and test additions to construction in progress ("CIP") for the fiscal year 2021.

For the fiscal year 2022 we were provided a spreadsheet of capital asset activity for the fiscal year. The beginning balances of each capital asset category (i.e. utilities, community services, beach) agreed to the beginning balances of the capital asset footnote on the 2022 Annual Comprehensive Financial Report ("ACFR"). However, we were unable to reconcile additions, disposals, and resultant ending balances of capital assets per the spreadsheet to the 2022 ACFR, and we were not provided explanations for the unreconciled balances. We also selected five capital asset additions from the spreadsheet to verify the balances for appropriateness of capitalization and accuracy based on underlying invoice support. We ensured our selections included expenses from various vendors and various amounts. We reviewed the underlying invoice support for the five selections and observed that the capital additions were appropriate and accurate.

For the fiscal year 2023 we were provided a spreadsheet of capital asset activity for the fiscal year. Since the fiscal year 2023 audit was not finalized by the external auditors as of our testing date, there was not an audited, finalized fiscal year 2023 ACFR to use in connection with the reconciliation. As a result, we performed the reconciliation of the spreadsheet by comparing to the unaudited fiscal year 2023 ACFR footnote. For fiscal year 2023 IVGID prepared the capital assets' footnote utilizing a new methodology. The new methodology consisted of IVGID exporting details of the general ledger system with object codes of 8120 (capital expenditures), 7510 (repairs and maintenance), and 7330 (contract services) to identify all items subject to capitalization and determine if they were appropriately included or excluded as a capitalized object code. IVGID utilized Excel functionality to aggregate and sort capital expenditures to create the CIP portion of the capital assets footnote.

Based on our analysis of the 2023 capital asset spreadsheet, we also selected ten capital asset additions from the spreadsheet to verify the balances for appropriateness of capitalization and accuracy based on underlying invoice support. We ensured our selections included expenses from various vendors and various amounts. We reviewed the underlying invoice support for the ten selections and observed that the capital additions were appropriate and accurate.



Recommendation:

We recommend IVGID develop an automated and formalized process for aggregating and tracking the District's capital asset activity as the current process requires the extensive use of Excel outside of the accounting system to accumulate the capital asset data. We further recommend IVGID investigate and consider the use of a capital assets module (whether associated with the current accounting software or a stand-alone module) to track capital assets activity including CIP. We also recommend IVGID implement controls to review capital activity monthly to ensure that all capitalizable items are charged to the correct object code to simplify the process during the preparation of the government-wide financial statements.

Observation #9: Capitalization of Projects Relating to Repairs and Maintenance

Fraud Risk: **High**

We observed projects relating to repairs and maintenance that were capitalized instead of expensed. For example, project 3141L1201 related to the parking lot pavement maintenance at both the Championship Golf Course and the Chateau was capitalized to general ledger asset accounts with the account description of "Capital Improvements" in the amount of \$175,167.

Recommendation:

We recommend that projects relating to repairs and maintenance are expensed as incurred unless the project extends the life or increases the capacity of the asset. We recommend that project capitalizable costs are presented to the Board of Trustees through a standard capitalization request form that describes the capitalizable nature of the cost, the rationale for the extension of life, any additional functionality of the capitalizable items, and the proposed accounting treatment of the project costs. We recommend the Board of Trustees approve the capitalization of projects costs that are in line with the CapEx Policy.

Observation #10: Green Fee Pricing Schedules Not Followed

Fraud Risk: **High**

There is a pricing chart for each golf season that includes golf pricing for each of the IVGID golf courses. The pricing takes into consideration the time of day, day of week and month, and also if the customer is a resident, non-resident, or guest of a resident. We identified instances where the green fee paid by the customer was less than the green fee reflected in the pricing chart, and no support was available to verify that the discounted price was appropriate and/or approved by an appropriate level of authority.


Recommendation:

We recommend training respective employees to follow the approved pricing for golf and other parks and recreation facilities, such as ski slopes and pickleball courts, to include regular monitoring review and analysis (e.g. monthly) to confirm that appropriate pricing is followed.

Observation #11: Green Fee Play Passes

Fraud Risk: **Low**

IVGID provides customers the opportunity to purchase play passes for the golf season. A wide variety of play passes are available including, but not limited to, the following:

- 
- (1) "All You Can Play" pass where an individual can play an unlimited amount of golf rounds during the applicable time frame of the pass.
 - (2) "Limited All You Can Play" pass where an individual can play an unlimited amount of golf rounds during the applicable time frame of the pass, but the pass is limited to specific golf tee times.
 - (3) "10-Round Play" pass where an individual can play 10 rounds of golf during the applicable time frame of the pass. There were 10-round, 20-round, 30-round and 40-round passes available for customers to purchase during the Scope Period.

When a customer utilizes a play pass, the green fee transaction is to be entered into the system as a 'Play Pass' transaction which would reduce the balance of the rounds available to play.

We obtained the detailed listing of play pass activity during our Scope Period at the Championship Golf Course and Mountain Golf Course, and we made selections to test that the play pass was appropriately paid for and utilized within the restrictions of the purchased play pass (i.e. time frame). We made play pass selections inclusive of both golf courses, different times and different pass types to ensure our selections covered a variety of play pass transactions. We identified one instance where the green fee paid was \$0 as the customer was utilizing a play pass, but the transaction was not entered in the system as a 'Play Pass' transaction. Further, we identified two instances where a customer had a "Limited All You Can Play" pass that was utilized outside of the golf tee times permitted for the play pass.

Recommendation:

We recommend training golf course employees to ensure appropriate use of customer play passes and for an appropriate level of management to review play pass transactions on a quarterly basis to ensure the play passes being utilized are during the appropriate time frame and the exceptions we identified above are not continuously occurring. We recommend implementing this oversight at all parks and recreational facilities, including ski slopes and pickleball courts, and ensuring play passes are utilized in line with the policy and that play passes are not issued to citizens without fees. For example, a user of IVGID facilities should not be given a free golf play pass just because the user is a friend of the IVGID golf employee.

Observation #12: Personal Use of Procurement Cards

Fraud Risk: **High**

We identified two instances involving the same employee that made personal transactions using their procurement card. The IVGID employee reimbursed IVGID for both transactions. Using procurement cards for personal transactions is not allowed under the IVGID policy.

Recommendation:

We recommend all IVGID employees review the procurement card purchasing policy in sections 7 and 8 of the IVGID Employee Handbook annually and as needed to ensure employees understand procurement card purchases are to be for the use and benefit of the District. Refer to observation 15 for additional recommendations regarding procurement cards.

Observation #13: Insufficient and Inappropriate Support for Procurement Card Transactions

Fraud Risk: **High**

We sampled individual procurement card expense reports and observed the following:

- (1) We identified one procurement card expense report instance where a general ledger transaction report was provided as support for an expense. A general ledger transaction report does not provide support to ensure the reimbursement requested is the amount per the transaction receipt.
- (2) We identified two procurement card expense reports where no support was available for the transactions submitted. The lack of support provided limits the reviewer from ensuring the reimbursement is in compliance with the procurement card policy.
- (3) We identified three procurement card transactions where the support did not tie to the transaction amount.
- (4) We identified three procurement card expense report instances where support agreed to the total amount for reimbursement but did not show the invoice line-item details that made up the total amount charged to the procurement card. The lack of support provided limits the reviewer from ensuring the total provided for reimbursement was used for appropriate items under the procurement card policy.

Recommendation:

We recommend all IVGID employees review the procurement card purchasing policy in sections 7 and 8 of the IVGID Employee Handbook annually and as needed to ensure employees understand appropriate and acceptable support to be submitted with procurement card expense reports. Refer to observation 15 for additional recommendations regarding procurement cards.

Observation #14: Sales Tax Charges

Fraud Risk: **Low**

In our review of IVGID's procurement card expense reports, we identified one instance that involved a set of transactions where the sales tax amount was duplicated, which overstated the amount paid. IVGID is tax exempt and IVGID purchases should not be charged for sales tax. Over the Scope Period, there were approximately 93 active procurement cards with expenses totaling approximately \$1,485,903. Of the \$1,485,903, approximately \$11,586 relates to sales tax.

Further, as discussed in observation 33, sales tax has been charged on clothing allowance purchases. Per the IVGID Employee Handbook, it is the responsibility of the cardholder to utilize the tax-exempt cards and forms to ensure sales tax is not charged for IVGID purchases.

Recommendation:

We recommend all IVGID employees review the procurement card purchasing policy in section 8 of the IVGID Employee Handbook yearly and as needed to ensure employees understand procurement card purchases should not have sales tax charges. Further, we recommend the disbursement department review vendor invoices to ensure IVGID is not charged sales tax on purchases. Refer to observation 15 for additional recommendations regarding procurement cards.



Observation #15: Oversight of Procurement Card Program and Related Expense Reports

Fraud Risk: **High**

There is limited review of the procurement card activity, including analysis of procurement card spending or a high-level review of procurement card expense reports, outside of the initial approval of a submitted expense report. Per observations 12, 13 and 14, the initial approver of expense reports are not thoroughly reviewing procurement card expense reports to prevent and detect the procurement card expense report observations identified.

Recommendation:

We recommend IVGID properly assigns employees who are responsible for managing, evaluating, and analyzing the procurement card program on a recurring basis to ensure it is in accordance with sections 7 and 8 of the IVGID Employee Handbook. Further, we recommend expense report approvers complete a thorough review of each expense report they are responsible for approving. This review should include, but is not limited to, validating that the expense was for the use and benefit of the District, validating that supporting documentation is appropriate and ties to the reimbursement amount, confirming that reimbursement requests are not duplicated and/or reimbursed with a previous expense report, and confirming that sales tax is not charged to the procurement card.

Further, IVGID should evaluate the intended use of procurement cards as compared to the expenses that are generally incurred on the cards. With that in mind, IVGID should consider restricting the standard industrial classification codes that the card is authorized to be used for thereby automatically restricting purchases that would not be considered appropriate (i.e. retail box stores, gas stations, liquor stores, online retailers, etc.).

Observation #16: Physical Inventory Observations and Reconciliations

Fraud Risk: **High**

IVGID has not performed inventory observations at several locations, including, for example, retail shops and food and beverage, during the Scope Period. The lack of performing timely reconciliations is a result of the loose internal control culture within the District. Further, IVGID does not keep records of food and beverage inventory, including alcohol, in the Tyler Munis system, and thus reconciliations are not performed over this type of inventory.

Recommendation:

We recommend physical inventory observations be performed periodically for all locations at IVGID, inclusive of food and beverage locations. Additionally, we recommend each inventory location have its own general ledger account and for all inventory to be entered into the Tyler Munis system in a timely manner, which should be reconciled no later than 30 days following month-end. Inventory reconciliations should include supporting documentation for all reconciling items and resulting adjustments.



Observation #17: Inappropriate User Access in Point-of-Sale Systems

Fraud Risk: **High**

IVGID employees do not have an individual user account assigned to them within the Vermont system, but instead shared user accounts are used among multiple individuals. Employees using shared user accounts may not be added to the employee master file as they may be temporary or short-term employees.

We observed user accounts that are unlocked that are assigned to terminated or resigned employees. We also observed user accounts that are active and unlocked that do not tie to a past or current IVGID employee per the employee master file. Further, there are user accounts for active employees where the user account is locked due to inactivity of the user accounts and/or the employee locked themselves out of the user account. IVGID is not aware of how to reset user accounts after an account is locked or inactive.

Recommendation:

We recommend each IVGID POS system provide each employee with an individual user account. If the above recommendation is not deemed feasible given IT limitations and/or the turnover given the seasonality of parks and recreational employees, we recommend an approval process for employees who are given access to the shared user accounts and a restriction on the level of activity that can occur on these shared accounts.

Additionally, we recommend reviewing all user accounts for each IVGID POS system to ensure each user account is for active IVGID employees. We recommend user accounts are locked in a timely manner after resignation or termination of an employee.

Further, we recommend IVGID research how to reset and/or remove user accounts that are locked due to a lockout or period of inactivity.

Observation #18: Contracts Awarded May Exceed Board of Trustees Funding Approval

Fraud Risk: **High**

A contract awarded to specific project numbers may exceed the Board of Trustees funding approval. For example, the Board of Trustees approved \$200,000 on May 27, 2020 relating to project 3468RE0002 for the replacement of ski rental equipment to utilize during fiscal year 2021. The memo presented by the District General Manager on March 20, 2021 notes a bid awarded to Solomon for a contract amount totaling approximately \$264,000 and a carryforward balance of approximately \$335,000 from a prior budget year. The approved five-year budget plan for fiscal year 2021 does not include a carryforward balance from a prior year.

Recommendation:

We recommend all contracts awarded be in accordance with the five-year budget plan approved by the Board of Trustees. If any advanced spending of the budget is necessary for a given budgeted year relative to the allocated amount, we recommend timely communication regarding the circumstances of the advance to the Board of Trustees to ensure approval and appropriateness of the advanced spending. Additionally, all carryforward balances should be documented with the

plan summary presented to the Board of Trustees, and documentation should be maintained to substantiate the prior activity related to the projects that are carried forward or postponed to a subsequent fiscal year.

Observation #19: Expenses Incurred Prior to Board of Trustees Funding Approval

Fraud Risk: **Moderate**

Spending activity for projects may occur prior to obtaining project approval from the Board of Trustees. For example, project 2299WS1704 related to the water main replacement on Martis Peak Road, and we identified \$53,776 of engineering expenses incurred, of which \$939 was for external services, prior to the approval of the Board of Trustees on May 27, 2020. Based on our review of the IVGID purchasing policies, there is no discussion over the aggregate dollar limit that can be incurred prior to Board of Trustee approval.

Recommendation:

We recommend that costs are not incurred related to any projects that have not been approved by, or are pending approval of, the Board of Trustees. In effect, the date the Board Of Trustees approves a project should be the earliest date that costs related to that project can be incurred. However, if pre-project studies and evaluation expenses occur, we recommend these costs be expensed and not capitalized. Further, we recommend updating the purchasing policies accordingly.

Observation #20: Yearly Budget Allocations by Board of Trustees May Not be Used

Fraud Risk: **Moderate**

The Board of Trustees will approve projects based on a five-year plan with specific budget allocations for each of the five years presented. Specific budget allocations for each year may not be utilized in the year the Board of Trustees allocated it to be used in. For example, project 1213CO1703 for new laptops, PCs, peripheral equipment, and desk top printers were approved on May 27, 2020 with a five-year budget allocation as seen in Figure 10.

Figure 10 Five-Year Capital Improvement Plan Summary – Approved 5/27/2020

Department Description	Project Number	Project Title	2021	2022	2023	2024	2025	Total
General Fund - Accounting & Information Systems	1213CO1703	District Wide PC, Laptops, Peripheral Equipment and Desk Top Printers	\$97,050	\$ 100,000	\$ 102,950	\$ 105,900	\$ 109,950	\$ 515,850

Per review of the Innoprise system, no transactions were recorded to this capital improvement project for fiscal year 2022, which was allocated a \$100,000 budget per Figure 10 thus resulting in a surplus for the subsequent year. We did not identify the process for handling a surplus and/or a carryforward balance in subsequent years within IVGID policies.

Recommendation:

We recommend the project owner utilize the approved spending for each budget year as approved by the Board of Trustees. If an allocated budgeted amount is not spent, such as in the example observed above, we recommend communicating to the Board of Trustees the surplus and the unused budget be returned to the appropriate fund and not utilized for unrelated purposes without the Board of Trustees approval. Further, we recommend obtaining approval from the Board of Trustees to utilize a carryforward balance in the improvement plan in the subsequent year.

Observation #21: Community Programs and Funding Not Approved by Board of Trustees

Fraud Risk: **Moderate**

There are various instances where community programs, such as memorials, skate parks, and ballparks, for which funding by specific organizations may have occurred without approval by the Board of Trustees. For example, IVGID has 72 benches with name plaques and 4 benches without name plaques. There is no documentation readily available for the benches without name plaques. In our review of board minutes that took place during our Scope Period, we found no discussion of approvals for park benches.

Recommendation:

We recommend IVGID provide complete and timely disclosure of respective programs to the Board of Trustees prior to inception of the programs and receipt of funding. Once respective programs are completed, the cash flows should be reported to the Board of Trustees to show actual versus approved program results.

Observation #22: Informal Process for Receiving Grants and Funding

Fraud Risk: **Moderate**

We investigated five organizations that are self-identified as not-for-profits that may have participated in funding that was not approved by and/or communicated to the Board of Trustees as discussed in observation 21. These not-for-profits include Incline-Tahoe Parks and Recreation Vision Foundation Inc., the Parasol Tahoe Community Foundation Inc., Incline Community Business Association, Rotary Foundation of Incline Village, and Rotary International. We have summarized the information we found per review of the Internal Revenue Service ("IRS") website on these organizations in Figure 11. Additionally, we believe the organization names per the IRS website cross-reference to the organization names per IVGID records as noted in Figure 11.

Figure 11 Non-for-Profit Organization Summary per the IRS Website

<u>Organization Name per IRS</u>	<u>Organization Name per IVGID Records</u>	<u>EIN Number</u>	<u>Deductibility Code</u>	<u>Most Current 990 Filing Year</u>
Incline-Tahoe Parks and Recreation Vision Foundation Inc.	Incline Tahoe Foundation	27-0823168	Public Charity	2020
The Parasol Tahoe Community Foundation Inc.	Parasol Tahoe Community Foundation	88-0362053	Public Charity	2021
Incline Community Business Association	Incline Community Business Association, Incline Community Business Association DBA IVCBA	27-0448179	Not Listed	2021
Rotary Foundation of Incline Village	Rotary Club of Incline Village	88-0395694	Public Charity	2022
Rotary International	Rotary Club of Tahoe-Incline, Rotary Club of Tahoe Incline	86-0856640	Not Listed	Not Listed

We have reviewed the cash disbursements from IVGID to these organizations together with the cash receipts from these organizations which management could identify during the Scope Period. Further, refer to Figures 12 and 13 for details summarizing the disbursements and receipts which management was able to identify during the Scope Period.

Figure 12 IVGID Disbursements to the Following Organizations during the Scope Period

Organization Name Per IVGID Records	Description	Disbursement Year	Amount
Incline Community Business Association	IVCB Veterans Club Annual Membership Dues	FY2023	\$ 150
			\$ 150
Incline Community Business Association DBA IVCBA	IVCBA Membership	FY2021 and FY2022	\$ 483
			\$ 483
Parasol Tahoe Community Foundation	Credit Balance after COE	FY2022	\$ 87
			\$ 87
Rotary Club of Tahoe-Incline	District Dues 10.01.22 , 01.01.23	FY2023	\$ 225
	Quarterly Club Dues	FY2021 and FY2022	\$ 887
			\$ 1,112
Grand Total			\$ 1,833

Figure 13 IVGID Cash Receipts from the Following Organizations during the Scope Period

Organization Name Per IVGID Records	Description	Receipt Year	Amount
Incline Community Business Association	IVCBA - Village Green	FY2023	\$ 50
			\$ 50
Incline Tahoe Foundation	Incline Tahoe Foundation	FY2021 and FY2022	\$ 91,036
	Incline Tahoe Foundation - Sant a Shop	FY2022	\$ 706
	Incline Tahoe Foundation - 4th of July Bob Wheeler Memorial	FY2023	\$ 50
	Incline Tahoe Foundation (park maint labor for bike park)	FY2022	\$ 2,508
	ITF Draw #5 Grant Payment Receipt	FY2022	\$ 47,927
	ITF Trail of Treats Reimbursement	FY2022	\$ 595
			\$ 142,821
Rotary Club of Incline Village	Rotary Club of Incline Village	FY2022 and FY2023	\$ 7,417
	Rotary Club of Incline Village, 2020/09/26	FY2021	\$ 2,800
	Rotary Club of Incline Village, 6.3.2018	FY2021	\$ 105
			\$ 10,322
Rotary Club of Tahoe Incline	Rotary Club of Tahoe Incline, 9/25/2021	FY2022	\$ 1,000
	Rotary Club Tahoe Incline	FY2023	\$ 250
			\$ 1,250
Grand Total			\$ 154,443

In addition to Figures 12 and 13, we have reviewed receipts and disbursements between the Duffield Foundation and IVGID. Refer to observation 25 of the report for observations to note.

We inquired into the process of accounting for the receipt of grant funding, the Board of Trustees' involvement, and the document retention for such grants. In doing so, we have identified the following:

- (1) Typically, IVGID obtains a memorandum of understanding agreement with an organization funding an IVGID community program. Per IVGID management, the memorandum of understanding with the above organizations has not been regularly reviewed and/or stipulations within the memorandum of understanding have not been upheld.
- (2) Documentation surrounding the receipt of these grants provided by the above organizations has not been thoroughly documented regarding the purpose of the grant and the IVGID personnel involved as seen within Figure 14.
- (3) Management has indicated they have a policy regarding independence; however, IVGID employees involved in the receipt of grants may have conflicts of interest with the organizations providing the grants to IVGID and vice versa.

Figure 14 IVGID Cash Receipts Use and Involvement of IVGID Personnel during the Scope Period

Organization Name Per IVGID Records	Description	Amount	Receipt Date	Description	Initiator	Approver
Incline Community Business Association	IVCBA - Village Green	\$ 50	11/18/2022	Rental Deposit for Village Green for a 4th of July event.	Data Unavailable	Director of Parks & Recreation
		\$ 50				
	Incline Tahoe Foundation	\$ 392	12/9/2020	Trail of Treats.	Data Unavailable	Data Unavailable
	Incline Tahoe Foundation	\$ 88,505	6/22/2021	Reimbursement for new equipment and design for certain parks and facilities (approved by BoT).	Public Works Manager	Data Unavailable
	ITF Draw #5 Grant Payment Receipt	\$ 47,927	11/2/2021	Reimbursement for ballfield #3 (approved by the BoT).	Public Works Manager	Data Unavailable
	ITF Trail of Treats Reimbursement	\$ 595	11/2/2021	Trail of Treats.	Parks & Recreation Supervisor	Director of Parks & Recreation
	Incline Tahoe Foundation	\$ 150	12/3/2021	Darren Howard Golf Program.	Data Unavailable	Data Unavailable
Incline Tahoe Foundation	Park maint labor for bike park	\$ 2,508	1/24/2022	Bike Park Maintenance.	Public Works Manager	Data Unavailable
	Incline Tahoe Foundation - Santa Shop	\$ 706	2/16/2022	Facilities Payment (\$594.81) and Santa Shop Payment (\$110.86).	Director of Parks & Recreation	Data Unavailable
	Incline Tahoe Foundation	\$ 1,358	10/19/2022	Planters at the Bocce Ball Courts.	Parks & Recreation Superintendent	Data Unavailable
	Incline Tahoe Foundation	\$ 631	10/21/2022	Bocce Ball Park & Rec Fund (\$315.50) and Parks and Rec Fund (\$315.50).	Director of Parks & Recreation	Data Unavailable
	4th of July Bob Wheeler Memorial	\$ 50	11/18/2022	Rental Deposit for Bob Wheeler Memorial for the 4th of July weekend.	Data Unavailable	Data Unavailable
		\$ 142,821				
	Rotary Club of Incline Village, 6.3.2018	\$ 105	9/3/2020	Entered through Vermont JE upload.	Data Unavailable	Data Unavailable
	Rotary Club of Incline Village, 2020/09/26	\$ 2,800	10/14/2020	Entered through Vermont JE upload.	Data Unavailable	Data Unavailable
Rotary Club of Incline Village	Rotary Club of Incline Village	\$ 1,000	1/12/2022	Playground Install.	Director of Parks & Recreation	Data Unavailable
	Rotary Club of Incline Village	\$ 6,417	10/19/2022	Automated External Defibrillator.	Data Unavailable	Data Unavailable
		\$ 10,322				
	Rotary Club of Tahoe Incline, 9/25/2021	\$ 1,000	9/3/2021	Entered through Vermont JE upload.	Data Unavailable	Data Unavailable
Rotary Club of Tahoe Incline	Rotary Club Tahoe Incline	\$ 250	10/21/2022	Trail of Treats.	Data Unavailable	Data Unavailable
		\$ 1,250				
Grand Total		\$ 154,443				



Recommendation:

We recommend IVGID continue to research the cash flows (disbursements and receipts) with the organizations noted in this observation. Cash activity should be analyzed to determine if cash funding for the community programs with these organizations has occurred in accordance with approval of the Board of Trustees. If activity with these organizations was not previously approved or communicated to the Board of Trustees, we recommend providing a comprehensive list of funding activities that have previously occurred between IVGID and these organizations to the Board of Trustees.

We recommend IVGID evaluate the appropriateness of continued relationships with the organizations noted in Figure 11 to determine if the community programs and activities historically sponsored by these organizations should continue.

Additionally, we recommend ensuring all grant funding and cash receipts from organizations to IVGID have formal documentation and support including the use of the funds and individuals involved.

Further, we recommend all IVGID employees review the outside employment/outside business policy in section 2 of the IVGID Employee Handbook annually and as needed to ensure employees understand their responsibility in ensuring no conflict of interests. Further, we recommend IVGID's independence policy be formalized whereas employees annually acknowledge and document their understanding of the policy which provides IVGID with protections in place against potential impropriety by its employees.

Observation #23: Sequential Gaps within Disbursement Checks

Fraud Risk: **Moderate**

We identified numerous instances during the Scope Period where there are gaps within the sequence of check numbers. Manual errors may cause gaps between check number sequencing. Additionally, when new employees participate in the disbursement process, employees are not consistently using the same check sequence as the preceding employee. Our review of the check gap sequencing indicates the instances are approximately 85% for 1 sequential check number missing, approximately 6% for 2 sequential check numbers missing, approximately 1% for 3 sequential check numbers missing, and approximately 8% for other variations of sequential check numbers missing.

We further investigated a random sample of missing checks throughout the Scope Period. Per our review, we did not find any missing checks per the disbursement listing that were cleared in the bank statements that were paid to IVGID employees or unusual vendors.

Recommendation:

We recommend a disbursement process where check numbers are automatically generated by the Tyler Munis system and employees are unable to alter the generated number. In addition, we recommend a periodic review of check number sequencing and for any unused and/or voided checks to be documented with support.

Observation #24: Vendor & Employee Master Files - Duplicative and Overlapping Record Data

Fraud Risk: **Moderate**

Per review of the vendor master file and employee master file, there are 435 vendors that have overlapping and duplicative vendor information with other IVGID vendors and/or with an IVGID employee. Duplicative data may include vendor name, vendor address, federal tax identification number, federal tax identification address, employee address, and/or employee name. There are 230 unique instances where these 435 vendors have some type of duplicative information. Of these instances, 6 instances involve a vendor having duplicative data with an IVGID employee.

There were approximately \$9,007,964 of disbursements to vendors that have duplicative information as described above. Of the \$9,007,964 of disbursements, \$8,631 was disbursed to vendors that have duplicative information with an IVGID employee.


Refer to Figure 15 for the breakout of instances and the disbursement amounts associated with each instance during our Scope Period

Figure 15 Instances of Vendor Duplication and Disbursement Amounts per Instance during the Scope Period

Type of Duplication	Count of Instances	Sum of Disbursements
Multiple vendors have the same federal tax identification number.	71	\$ 3,573,185
Multiple vendors have the same vendor number.	66	\$ 3,224,832
Multiple vendors have the same vendor number and address.	17	\$ 851,212
Multiple vendors have the same address.	45	\$ 553,593
Multiple vendors have the same vendor number and federal tax identification number.	4	\$ 470,346
Multiple vendors have the same federal tax identification address.	18	\$ 321,852
Multiple vendors have the same vendor number, address, and federal tax identification address.	2	\$ 2,386
Multiple vendors have the same vendor number, address, and federal tax identification number.	1	\$ 1,926
Employee Match - No	224	\$ 8,999,332
A vendor address is the same as an IVGID employee address.	4	\$ 4,785
Multiple vendors have the same address and that address is the same as an IVGID employee.	2	\$ 3,846
Employee Match - Yes	6	\$ 8,631
Grand Total	230	\$ 9,007,964

We sampled 15 specific instances with a selection from each duplication type from Figure 15 and observed that the sampled duplications occurred as a result of the following:

- 1) Employees used the address of their IVGID employment location instead of their residential address within the employee master file.
- 2) Vendors had different vendor profiles set up in the accounting system if the vendor invoices received by IVGID had different spellings or variations of the vendor's name. For example, vendor #4030 CivicPlus and vendor #327 NewRequest LLC are the same vendor, but they are set up in the accounting system separately because vendor invoices received by IVGID included the names of CivicPlus and New Request LLC.
- 3) Vendors had the same federal tax identification addresses and federal tax identification numbers if the vendors were set up in the accounting system as individual state departments of the same state. For example, four IVGID vendors, including CA State Disbursement Unit, CA State Board of Equalization, CA State Controller, and CA Franchise Tax Board, have the same federal tax identification address and federal tax identification number as all four vendors are associated with the State of California.

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- 4) Vendors used IVGID addresses as their addresses within the vendor master file. Many of these vendors include the organizations discussed in observation 22 of the report.
 - 5) Each vendor is not provided with a unique vendor number, rather multiple vendors may use the same vendor number but with a subset code. For example, we observed several IVGID employees in the Innoprise system were set up under vendor #3199 with a subset code. Employees are set up as IVGID vendors when an employee is to receive a non-taxable reimbursement from IVGID. Examples of reimbursements that IVGID considers non-taxable include, but are not limited to, travel expenses, employee clothing allowances, and medical insurance reimbursements.

Further, we observed that several vendors included within the vendor master file are inactive vendors that have not received disbursements from IVGID during the Scope Period.

Recommendation:

With respect to the observations above, we recommend the following:

- (1) Include each employee's residential and mailing address within the employee master file instead of using the employee's employment location. We recommend an employee's employment location is not used as the employee's residential address within the employee master file as tax implications may vary based on employment addresses and residential addresses.
- (2) Research if the system allows multiple names under one vendor profile. If so, IVGID should consolidate vendor names that are associated with an individual vendor into one vendor profile. For example, vendor #4300 CivicPlus and vendor #327 New Request LLC should be under one vendor number as they are associated with the same vendor. This will help ensure accuracy and completeness of payables due by IVGID to each individual vendor and assist with the assessment of aging of the payables. Further, we recommend IVGID research if the system allows multiple addresses under one vendor profile. If so, IVGID should ensure each vendor profile has the correct address of the vendor within one vendor profile.
- (3) If the system does not allow for multiple names under one vendor profile, or if vendors continue to have duplicative data, documentation should be added to the vendor master file to explain the redundancy.
- (4) Each vendor should be provided with its own unique vendor number (no subset codes should be used), vendor name, vendor address, federal tax identification number, and federal tax identification address.
- (5) Review data in the system before adding new vendors to ensure the vendor does not already exist.
- (6) Determine a reasonable amount of time (i.e. three years) where no disbursements are paid to a vendor to deem a vendor inactive, and review vendor activity on an annual basis to determine inactive vendors.

Observation #25: Projects Relating to Private Funding or Donations

Fraud Risk: **Moderate**

IVGID projects may be sponsored or pledged by private funding or donations, and these projects may incur expenses prior to receipt of the pledged or donated funds. For example, project

4884BD2201, relating to the expansion project for the IVGID recreation center, was to be funded through a grant from the Duffield Foundation. Prior to obtaining funds from the Duffield Foundation, IVGID incurred approximately \$1,212,034 of expenses in connection with the project. After expenses were incurred, the private donor withdrew its pledged support for the project. The Duffield Foundation reimbursed IVGID for approximately \$1,139,421 of the incurred project expenses, resulting in a funding deficit related to the project of \$72,613.

Recommendation:

We recommend projects utilizing pledged funds from private donors do not incur expenses prior to obtaining the pledged funding.

Observation #26: North Lake Tahoe Fire Protection District Agreement with IVGID

Fraud Risk: **Moderate**

North Lake Tahoe Fire Protection District ("NLTFPD") entered into a cooperative agreement with IVGID on June 9, 2004 ("NLTFPD Agreement"). The agreement provides terms and conditions regarding NLTFPD's wildland fuel reduction work on public property under IVGID's control.

We reviewed the NLTFPD Agreement and assessed whether IVGID followed the agreement terms and conditions during the Scope Period. Refer to Figure 16 for our observations.

Figure 16 Evaluation of IVGID's Compliance with NLTFPD Agreement

<u>Agreement Description</u>	<u>Observation</u>
<p>NLTFPD agrees to perform wildland fuels treatment work on public property owned by IVGID under the direction of its public works director and/or his/her designee. IVGID agrees to pay NLTFPD up to \$25,000 during the NLTFPD/IVGID fiscal year 2004/2005 or the total amount of direct costs expended by NLTFPD for the implementation of the Annual Plan, not including personnel expenses for regular year-round NLTFPD personnel, whichever is less for the first year of this agreement.</p>	<p>IVGID acknowledged the spending amount has increased from \$25,000 at the inception of the agreement to \$200,000 each year. IVGID was unable to provide documentation to support the rationale and/or modification to the agreement for the increased payment.</p>
<p>Thereafter, NLTFPD agrees to furnish IVGID Public Works Director and/or his/her designee an Annual Plan by April each year that specifies the area to be worked on, the types of work to be performed, an estimate of acreage for each project, a timetable, a man-hour estimate, and a projected cost total. A summary report will be presented to the IVGID Board. The approved budget for the next succeeding year will be acted upon by the IVGID Board at that time. IVGID shall be responsible only for such costs and other matters as it has approved in writing, including written approval of the Annual Plan.</p>	<p>IVGID was unable to provide documentation to support summary reports were presented to the IVGID Board of Trustees for each fiscal year during our scope period. Further, IVGID was unable to provide documentation to support the approved budgets by the Board of Trustees for each fiscal year during the scope period.</p>



NLTFPD agrees to furnish copies of all documentation, information, and permits related to the work performed.	Per review of the invoices which management was able to identify during the scope period, each invoice contains documentation and information from NLTFPD regarding the work performed during the time period, resources utilized, and hours billed.
Billing will be submitted at the end of each burn season accompanied by the proper documentation and, if accepted, shall be paid thirty (30) days from receipt. Costs for other suppression personnel and equipment shall be borne by NLTFPD.	Per review of the invoices which management was able to identify during the scope period, invoices totaled approximately \$194,040, \$156,215, and \$179,912 respectively for fiscal years 2021, 2022, and 2023.
This Agreement will become effective on the date of approval by both Districts and will remain in effect until such time that it is cancelled. Both Districts will have an opportunity to review the progress of such Agreement and, if necessary, mutually agree to renew, continue, amend, or dissolve such Agreement.	Per documentation provided by IVGID, the agreement with NLTFPD and IVGID is still in effect throughout the scope period based on the letter from the NLTFPD Fire Chief dated August 2, 2021.

Recommendation:

We recommend IVGID review the NLTFPD Agreement and determine if the agreement terms are applicable and appropriate. If necessary and appropriate for IVGID to continue its relationship with NLTFPD, we recommend ensuring all attributes of the agreement are met, including payment terms, Board of Trustee communications, and approval as set forth in the NLTFPD Agreement.

Observation #27: Petty Cash


Fraud Risk: **Moderate**

IVGID has a cash policy that discusses petty cash procedures to be followed. The cash policy provides that petty cash funds should contain a nominal balance, disbursements from petty cash should only be made for valid purposes, a summary of disbursements from petty cash should be maintained, and petty cash funds should be replenished periodically. The cash policy does not identify who has the authority to create or withdraw funds from a petty cash fund or what constitutes a valid purpose.

We were provided with documentation which showed that petty cash accounts had been counted and reconciled on June 18, 2021 and on April 21, 2023. We did not see any evidence that the petty cash accounts had been reconciled during the Scope Period aside from these two occurrences. The July 3, 2023 reconciliation included a reconciliation of four of the five petty cash accounts had reconciling differences ranging from \$10 to \$91. The lack of performing timely reconciliations is a result of the loose internal control culture within the District.

Recommendation:

We recommend IVGID evaluate the need for petty cash given that many IVGID employees have procurement cards which would allow for immediate purchases as necessary. If IVGID determines it



necessary and appropriate to retain a petty cash fund, we recommend IVGID update its cash policy to include more robust policies over petty cash, including identification of who has the authority to create and withdraw funds from a petty cash fund and what constitutes a valid expense purpose. Further, we recommend IVGID perform reconciliations of all petty cash accounts no later than 30 days following month-end and that all unreconciled items be resolved timely.

Observation #28: Physical Access to Vault

Fraud Risk: **Moderate**

The cash policy does not include policies regarding physical access to the District's vault. Per the 2022 ACFR, petty cash and change funds totaled ~\$45,905. We were provided a listing of seventy-five point-of-sale cash balances related to golf and food and beverage with a combined balance of \$30,325; each cash balance typically totaled ~\$300, ~\$500, or ~\$1,000. Of these seventy-five cash balances, twenty balances have not been reconciled after fiscal year 2022 and thus do not appear to be routinely reconciled.

Recommendation:

We recommend IVGID enhance its Cash Policy to include more specific and clear policies over vault access and the management of point-of-sale cash balances. Additionally, we recommend IVGID resolve the status of all outstanding golf and food and beverage cash balances and return any balances related to unused bank accounts to the vault. Further, we recommend IVGID institute a process of regularly reconciling these point-of-sale cash balances.

Observation #29: Project Numbers are Reused

Fraud Risk: **Moderate**

Project numbers may be reused for multiple projects. For example, the public works project 3970BD2601, relating to Burnt Cedar swimming pool improvements, includes several pool improvements for Burnt Cedar under this project number. As a result, the documentation organized for these various projects are also organized, in general, within one project folder. Documentation may include, for example, board approval and project bid documentation. The lack of organization of the documentation makes it difficult to sort and differentiate the documentation relating to improvements for a given project number.

Recommendation:

We recommend creating a unique project number for each board approved project that relates to a specific task, improvement, or purchase for IVGID. For example, for each Burnt Cedar pool improvement, we recommend using a unique identifier such as 3970BD2601-1, 3970BD2601-2, and so forth. We recommend each unique identifier have a separate folder for documents relating to board approvals, bid packets, and other project documents. Further, we recommend each unique identifier be presented to the Board of Trustees for transparency into each individual task, improvement, or purchase for IVGID.

Observation #30: Capital Expenditure Approval Process (Initial and Overruns)

Fraud Risk: **Moderate**

IVGID has CapEx policies in place to be reviewed and followed for financial reporting purposes. The CapEx Policy requires competitive bidding for goods and services, subject to dollar limitations. The CapEx Policy section 1.4.1 establishes that the General Manager has overall supervision of the procurement function, but section 1.4.2 empowers department directors to conduct the bidding process for their departments. Further, the CapEx Policy indicates, in section 1.5.2.3, that for contracts with amendments the dollar thresholds apply to the aggregate of the initial contract and the amendments. The CapEx Policy does not specify how actual project costs are to be tracked against the approved budget and the process for managing cost overruns.

Recommendation:

We recommend IVGID update its CapEx Policy to conduct procurement activity centrally as opposed to each individual department conducting procurement to promote greater consistency and compliance within the procurement process. Further, we recommend IVGID update the CapEx Policy to provide a process to be followed to ensure that actual expenditures adhere to the approved budgeted amounts. The CapEx Policy should also include an approval process for cost overruns prior to incurring the cost overruns.

Observation #31: Review Capital Projects for Potential Bid Splitting

Fraud Risk: **Low**

The CapEx Policy provides procurement thresholds as follows:

- (1) \$10,000 and under – competitive solicitation not required (paragraph 2.2.3),
- (2) Between \$10,000.01 and \$50,000 – procure via solicitation of a minimum of two price quotations (paragraph 2.2.4),
- (3) Between \$50,000.01 and \$100,000 – formal solicitation involving two or more prospective sources (paragraph 2.2.5), and
- (4) \$100,000 and over – formal solicitation and additional solicitation requirements (paragraph 2.2.6).

Additionally, paragraph 4.2 of the CapEx Policy prohibits bid splitting or separating solicitations into smaller components to avoid competitive solicitation.

The IVGID personnel responsible for overseeing the District's capital asset accounting are not aware of how procurement transactions have historically been conducted and where the records associated with previous procurements are located as they are relatively new employees. Further, as individual departments conduct their own procurement transactions, it was not feasible to obtain procurement documentation to test for bid splitting.

Recommendation:

We recommend IVGID revise its CapEx Policy to conduct procurement activity centrally as opposed to each department conducting procurement separately to promote consistency and compliance within the procurement process to ensure bids are not split in order to avoid competitive bidding

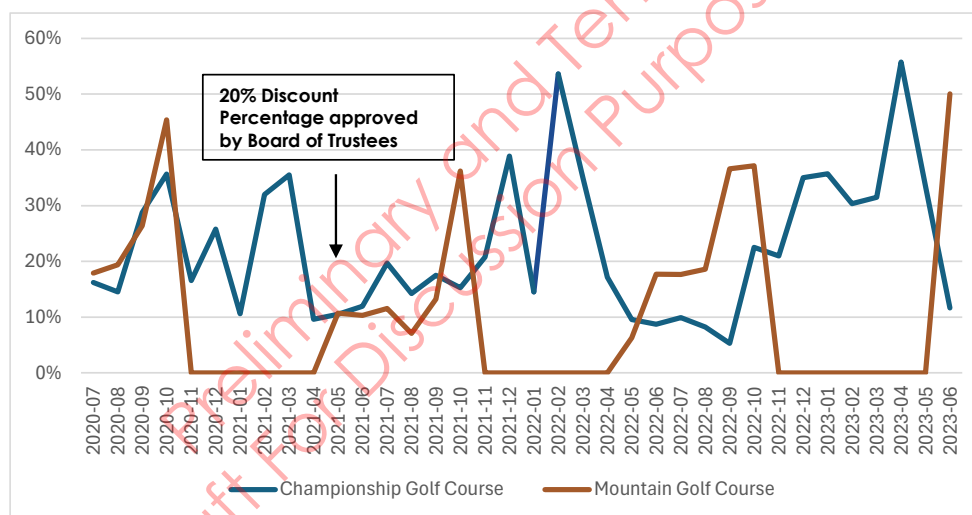
thresholds. Further, we recommend procurement documentation for all solicitations be retained in a central depository for accessibility.

Observation #32: Seasonal Discounts at Merchandise Stores Not Approved by Appropriate Level

Fraud Risk: **Low**

Various employee discounts, resident discounts, and seasonal discounts are provided at the Championship Golf Course and Mountain Golf Course merchandise stores. Employee discounts and resident discounts are approved by the Board of Trustees. Any discount more than the employee discounts or the resident discounts, including Black Friday discounts, pre-season discounts, and end-of-season discounts, are set by the merchandise store manager and are not independently reviewed or approved by an upper level of authority. No documentation records of these approved discounts during the Scope Period are available. Refer to Figure 17 for the range of discount percentages given by IVGID employees to customers at the Championship Golf Course and Mountain Golf Course over the Scope Period.

Figure 17 Championship Golf Course and Mountain Golf Course Discount Percentages by Month during the Scope Period




Recommendation:

We recommend any discount more than the employee discounts or resident discounts be approved by an appropriate level of authority at IVGID and approval documentation be maintained. Additionally, we recommend developing a monitoring process where discounts are reviewed weekly or bi-weekly to evaluate appropriateness of discounts given and discount trends. We recommend increasing this weekly or bi-weekly review to monthly and ultimately quarterly after an ample amount of time.

Observation #33: Employee Clothing Allowances

Fraud Risk: **Low**

The 'Memorandum of Understanding Between and for Incline Village General Improvement District and the Operating Engineers Local Union No. 3' provides that IVGID employees in certain public



works divisions are eligible to receive a \$630 clothing allowance per fiscal year for uniforms, rain gear, boots, and hip boots. As of June 30, 2023, there were approximately 26-34 public works employees who were eligible to receive this clothing allowance. This clothing allowance may not be considered taxable income by IVGID and may not be reported on an employee's W2 for tax purposes. The total approximate monetary exposure that may not be reported on employee W2s relating to employee clothing allowances over the Scope Period is \$49,140 to \$64,260. Per review of procurement card transactions, expenses with a description containing 'uniforms', 'rain gear', 'boots', and 'hip boots' totaled approximately \$54,028 for the Scope Period. Of this total, approximately \$4,124 were expenses related to five employees eligible for the clothing allowance. Additionally, there were two instances where an eligible employee expensed more than \$630 for uniforms in a fiscal year. Further, as stated in observation 14, IVGID is tax exempt and IVGID purchases should not be charged for sales tax; however, approximately \$347 of the \$11,586 of sales tax charges on procurement cards during the Scope Period as discussed in observation 14 relate to clothing allowance purchases. Refer to Appendix 2 for further details over the employee clothing allowance.

Recommendation:

We recommend IVGID research the Federal and State of Nevada tax regulations to assess whether or not the clothing allowance should be considered employee taxable income. Additionally, we recommend ensuring the process for employee clothing allowances is appropriate and reviewed on an annual basis to ensure the \$630 allowance is not exceeded. Further, we recommend formalizing a policy for non-union employees (i.e. employees not eligible for the \$630 clothing allowance) on the protocols for their purchasing of uniforms and other similar expenses and determine if those expenses should be considered employee taxable income.

Observation #34: Manual Financial Statement Consolidation Process

Fraud Risk: **Low**

The financial statement consolidation process is a manual process in Excel. IVGID personnel use the trial balance to prepare the financial reports. There are numerous reclassifications between trial balance accounts and the financial reports with no documented reconciliation for reclassifications to support the appropriateness or approval of the reclassifications.

Recommendation:

We recommend reducing the manual financial statement consolidation process and utilizing the Tyler Munis system to automate the reporting process to eliminate the risk of misstated information due to manual errors and/or complex formulas. Further, we recommend retaining documentation of reclassification approvals and the rationale for the reclassification to the financial statements.

Observation #35: Disbursements Reconciliation to the General Ledger

Fraud Risk: **Low**

There is not a clear process in place for reconciling disbursements paid to disbursements posted to the general ledger in the Tyler Munis system. We obtained the disbursement listing and the general ledger listing during the Scope Period, and we were unable to reconcile the listings by date, by invoice number, or by check number to ensure all disbursements paid were properly accounted for in the Tyler Munis system.


Recommendation:

We recommend performing a monthly reconciliation of disbursements paid to the disbursements posted to the general ledger to ensure the general ledger takes into consideration all disbursements paid in the appropriate period.

Observation #36: Consolidated List of Executed Contracts is not Readily Available

Fraud Risk: **Low**

No centralized database or document is maintained to track executed contracts with past and current vendors. Contracts are segregated and tracked by individual IVGID employees and there is no readily available consolidated list of IVGID executed contracts.

Recommendation:

We recommend a centralized depository where past and current executed contracts are readily available, including public works projects, service projects, and capital improvement projects. Additionally, we recommend maintaining a master list of contracts containing information such as Board of Trustees' approval date(s), approved budget amounts, project dates, dollars expensed and capitalized to date, and other significant project details. The master file should be continuously updated by IVGID staff, periodically reviewed by the General Manager, and presented to the Board of Trustees at least annually.

Observation #37: Prevailing Wages Evidence for Contracts not Retained

Fraud Risk: **Low**

The purchasing policies provide that the payment of prevailing wages, in the manner specified in the NRS 338, is required for all public works construction contracts that exceed \$100,000. NRS 338 includes that one of the requirements is for the prevailing wage to be posted on the site of the public work in a place generally visible to the workers. No evidence of prevailing wages posted at job sites is retained. As such, we were unable to verify compliance with the prevailing wages portion of the purchasing policies.

Recommendation:

We recommend retaining documentation regarding the prevailing wages posted at job sites and evidence of this communication to the workers to ensure compliance with IVGID's purchasing policies and the NRS's purchasing policies.

Observation #38: Frequency of Cash Collections

Fraud Risk: **Low**

During the on-site observation of the District's cash handling procedures, cash is picked up daily from IVGID facilities by IVGID staff and picked up weekly by a third-party service to be delivered and deposited to the bank.

Recommendation:

We recommend increasing the frequency of cash pick-ups by the third-party service from weekly to daily pick-ups.



Observation #39: Security of Cash During Cash Collections

Fraud Risk: **Low**

During the on-site observation of cash handling procedures performed by IVGID staff, cash collected from the first pick-up location of the walkthrough was maintained in an employee's pocket until the second pick-up location where the cash was then placed into a secured cash bag.

Recommendation:

We recommend the secure cash bags be held at the first cash pick-up location for cash to be properly secured throughout the cash pick-up process.

Observation #40: Lack of Internal Controls and Oversight at IVGID Golf Courses

Fraud Risk: **Low**

We identified various instances during the Scope Period where green fees were reduced to \$0 as an individual was provided a complimentary round of golf. Complimentary rounds of golf are available for specific circumstances including, but not limited to, prospective vendors or inconveniences on the golf course such as broken golf carts. Most complimentary golf rounds that reduce green fees to \$0 do not have documentation on the rationale and/or individual who approved the complimentary round of golf.

As discussed in observation 16, IVGID does not keep records of food and beverage inventory, including alcohol, in the Tyler Munis system and thus food and beverage inventory at the golf courses is not monitored. Further, as discussed in observations 10 and 11, green fee pricing and play passes are not being utilized appropriately.

The lack of proper internal controls at the golf courses and other IVGID parks and recreational facilities is a result of the loose internal control culture within the District.


Recommendation:

We recommend IVGID staff provide the rationale and disclose the approver for each complimentary round of golf in connection with completing the transaction in the POS system. Additionally, we recommend monitoring and reviewing complimentary golf rounds and transactions where green fees are reduced to \$0 to ensure appropriateness on a recurring basis. We recommend implementing this oversight at all parks and recreational facilities, including ski slopes and pickleball courts. Additionally, as noted in observation 16, we recommend each inventory location have its own general ledger account and for all inventory to be entered into the Tyler Munis system in a timely manner. We recommend performing inventory reconciliations no later than 30 days following month-end. Inventory reconciliations should include supporting documentation for all reconciling items. Further, as noted in observation 16, we recommend physical inventory observations be performed at least annually for all locations at IVGID, inclusive of food and beverage locations at all parks and recreational facilities.

Observation #41: Customer Credit Card Processing Errors

Fraud Risk: **Low**

Based upon representations provided to us during interviews performed, there are credit card transaction receipt errors that occur at the Grill at the Chateau. We understand from management



that one transaction receipt error that may occur is when a bill is split between multiple credit cards the receipt will only show one credit card was utilized, although both credit cards are equally charged half of the bill. The risk is that the credit card system is not correctly processing customer payments which may result in undercharging or overcharging customers.

Recommendation:

We recommend IVGID staff to provide separate bills for customers who are utilizing multiple forms of payment to reduce the risk of inaccurate and inappropriate charges.

Preliminary and Tentative
Draft For Discussion Purposes Only

APPENDIX 1

Preliminary and Tentative
Draft For Discussion Purposes Only

Incline Village General Improvement District
Appendix 1 Fraud Risk Assessment

FRAUD SCHEME	FRAUD/RISK DESCRIPTION	INDICATORS OF FRAUD/RISK	Examples of potential fraud	Testing Method	Likelihood fraud could occur	If remote why?	Likelihood the fraud would be prevented and detected	Rationale for Likelihood for Fraud to occur, be prevented, and be detected	Observations in Memo to Support Rationale	Are further controls needed?	What additional controls are needed / action plans to be followed?
Liabilities / Accounts Payable											
1	Establishment of a fictitious vendor	Employee establishes fictitious vendors, submits false invoices, or approves false invoices for payment.	Prof copied invoices, poor segregation of duties around access rights to the Accounts Payable system, invalid tax codes, lack of contact details for the vendor, lack of supporting documentation.	A manager established a fictitious "ghost" vendor, submitted fraudulent invoices generated from this vendor and, subsequently, embezzles cash from IVGID.	Task 3 - Vendor Disbursements	High	N/A	Low	Although we did not find fictitious vendors, there are many disbursements where there is no available support and/or third-party support for the disbursement and many disbursements where there is no approver and/or the approver is the same individual as the initiator that would allow for fraud from fictitious vendors to occur.	Yes	1) Every disbursement should have a separate initiator and approver and initiators and approvers be determined based on staff level and approvers should be at an appropriate level of hierarchy above the initiator. 2) Disbursement should be reviewed on a recurring basis to ensure disbursements were initiated and approved at the appropriate level. 3) Every disbursement should include vendor invoice, purchase order, and goods received report (if applicable) to validate the disbursement as well as ensuring the support is sufficient before approving. 4) The vendor master file should be reviewed on a recurring basis and there should be controls in place for vendor additions and/or modifications.
2	Unrecorded liabilities	Failure to record liabilities to improve profit ability; inadvertently/erroneously not recording a liability.	Unusual decreases in balances from previous year. Discussion of contingent liabilities during management meetings but no reasons documented for not recording of the liabilities.	In order to make the budget and the bonus, the Accounting Manager committed financial statement fraud by understating the accounts payable liability.	Task 1 - Interviews Task 3 - Vendor Disbursements	High	N/A	Low	Although we did not find evidence of unrecorded liabilities, the lack of IVGID personnel along with difficulties since the implementation of the Tyler Munis system has resulted in many instances of late recordings of invoices and payments into the accounting system.	Yes	1) Accounts payable reconciliation and rollforwards should be performed no later than 30 days following month-end and all unreconciled items should be resolved timely.
3	Overstatement of liability accruals	Large increase in accrual account balances with little documentation or fictitious support; inadvertently/erroneously recording a liability that does not meet the definition of a liability under US GAAP.	Fictitious invoices received from companies with only PO box addresses; Material increase in liabilities with inadequate or incomplete support or a lack of understanding of accrual conditions; Reserves identified as "general".	Accounting Manager committed financial statement "cookie jar" fraud by saving for a rainy day.	Task 1 - Interviews Task 3 - Vendor Disbursements	Low	N/A	Low	IVGID was unable to make vendor payments from the Tyler Munis system until January 2023. As a result, IVGID would process an invoice and make the invoice payment through Innaprise, the prior accounting system, and IVGID would simultaneously input the invoice into the Tyler Munis system. In effect, the invoices in the Tyler Munis system were shown as approved, but not paid (i.e. outstanding invoices), although they were paid through the Innaprise system. IVGID made efforts to remove paid invoices that were entered into both systems. Additionally, many vendors per the vendor master file have only PO box addresses.	Yes	1) Accounts payable reconciliation and rollforwards should be performed no later than 30 days following month-end and all unreconciled items should be resolved timely. 2) Each vendor in the vendor master file should have a residential address and a mailing address. 3) A monthly reconciliation of disbursements paid to the disbursements posted to the general ledger to ensure the general ledger takes into consideration all disbursements paid in the appropriate period.
4	Intentional duplicate payments to vendors	Duplicate payments are made to vendors without any services rendered to justify the second payment. This fraud is usually committed by a company employee with collusion on behalf of the vendor.	Multiple duplicate payments of the same or similar amounts to certain vendors. Receipt of invoices without supporting documentation found to justify payment.	Employee in collusion with a vendor approves duplicate or fictitious invoices.	Task 3 - Vendor Disbursements	High	N/A	Low	We did find payments to vendors with similar dollar values that we tested but we did not find any indications of fraud. Most of these similar payments related to vendor contracts and/or recurring maintenance or services IVGID receives from vendors. Additionally, there are many disbursements where there is no available support for the disbursement and/or third-party support.	Yes	1) Every disbursement should have a separate initiator and approver and initiators and approvers be determined based on staff level and approvers should be at an appropriate level of hierarchy above the initiator. 2) Disbursement should be reviewed on a recurring basis to ensure disbursements were initiated and approved at the appropriate level. 3) Every disbursement should include vendor invoice, purchase order, and goods received report (if applicable) to validate the disbursement as well as ensuring the support is sufficient before approving.
5	Payments made to related parties/conflicts of interest	Employee directs spending to a friend or family member for personal gain.	Excessive spend against budget. No purchase order or competitive bidding process.	Employee hired consulting firm owned by a friend for personal gain.	Task 1 - Interviews Task 3 - Vendor Disbursements	Moderate	N/A	Low	Through interviews and per our review, there are IVGID employees involved in the receipt of grants that may have conflicts of interest with the organizations providing the grants to IVGID.	Yes	1) A listing of related parties/conflicts of interest should be retained and updated on a recurring basis. 2) A reconciliation of payments to and from related parties/conflicts of interest should be reviewed on a recurring basis to ensure appropriate entries. 3) The vendor procurement process should be reviewed on a recurring basis to ensure competitive bidding and solicitation rules and regulations were followed and no bias has occurred for related parties/conflicts of interest. 4) Every disbursement should have a separate initiator and approver and initiators and approvers be determined based on staff level and approvers should be at an appropriate level of hierarchy above the initiator.
Accounts Receivable											
1	Excessive discounts to customers	Customers are afforded excessive discounts by an employee who later receives remuneration from the customer.	Comparison of customer discounts reveals large credits/discounts to one or a few customers. Poor segregation of duties in the credit department.	Credit manager grants credits to customers and receives a kickback.	Task 7 - Financial Statement Analysis Task 6 - Financial Reporting Task 10 - Analysis of Whistleblower Hotline	Moderate	N/A	Low	There are seasonal discounts in excess of the 20% employee and resident discount's percentages approved by the Board of Trustees. Further, there were various instances where golf rounds are reduced without sufficient support and approval. In addition, play passes are not utilized in accordance with the play pass criteria.	Yes	1) Discounts in excess of employee discounts or resident discounts should be approved by an appropriate level at IVGID and documentation should be retained for the discount approvals. 2) Employees should be trained appropriately to follow the pricing schedules and understand the various customer play passes and how to utilize the play passes appropriately at each park and recreational facility, including ski slopes and pickleball courts. 3) For each complimentary round of golf and other complimentary parks and recreational admission, IVGID staff should provide rationale and approval of the complimentary transaction in the system. 4) There should be proper oversight of play passes, green fees pricing, and other parks and recreational pricing on a recurring basis.
Revenue Recognition											
1	Pressure to meet internal and Board of Trustee expectations - "Non-GAAP" measures	Revenue or liabilities recorded improperly to ensure that IVGID meets the expectations as set by the Board of Trustees.	Meeting revenue and earnings per share expectations exactly on the low end of the range repeatedly. Large adjustments in the month preceding quarter to revenue sales and liabilities.	Management recognizes larger than usual liabilities in a quarter (large fluctuation in accruals) or delays revenue (or vice versa) in order to meet guidance provided by the Board of Trustees.	Task 1 - Interviews Task 6 - Financial Reporting	High	N/A	Low	Through interviews and review of the capital expenditure financial reporting process, IVGID staff capitalize repairs and maintenance activity as well as other non-capitalizable projects. There were several projects that were capitalized during the Scope Period relating to repairs and maintenance that should be expensed as they did not extend the life or increase the functionality of the asset.	Yes	1) Capital expenditure projects, including projects relating to repairs and maintenance, should be reviewed on a recurring basis to ensure capitalizable items are charged to the correct object code. 2) The annual comprehensive financial reports should be compared year over year to identify any significant and/or unusual trends to be investigated. 3) Project capitalizable costs should be presented to the Board of Trustees through a standard capitalization request form that describes the capitalizable nature of the cost, the rationale for the extension of life, any additional functionality of the capitalizable items, and the proposed accounting treatment of the project costs. We recommend the Board of Trustees approve the capitalization of projects costs.

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Cash												
1	Skimming	Removing cash from the company before it enters the books and records.	Decrease in cash balances, Increase in days sales outstanding, Missing scrap sales, Missing employee donations.	Petty cash cashier stole employee donations for a local charity which was never entered into IVGID's books and records.	Task 6 - Financial Reporting Task 8 - Analysis of Cash Handling Procedures	Moderate	N/A	Low	During our Scope Period, petty cash was reconciled twice and reconciling items were identified with no support. Additionally, during our cash walkthrough, the IVGID personnel maintained cash in the employee's pocket from one location to another location.	#27 - Petty Cash #39 - Security of Cash During Cash Collections	Yes	1) Reconciliations should be performed on all cash accounts no later than 30 days following month-end and all unreconciled items should be resolved timely. 2) Secure cash bags should be held at the first cash pick-up location for cash to be properly secured throughout the cash pick-up process.
2	Unauthorized wire transfers - Embezzlement	Transferring company funds to a personal or fictitious account.	Request to transfer to a new account. Unusual transactions observed in the bank reconciliation statements, lack of segregation of duties, single authorized signatory.	Employee diverts company funds to improper bank accounts.	Task 3 - Vendor Disbursements Task 6 - Financial Reporting	High	N/A	Low	There are many disbursement where there is no available support for the disbursement and many disbursements where they is no approver and/or the approver is the same individual as the initiator. Additionally, through review of bank reconciliations, there are large unreconciled items and bank reconciliations that are not performed timely. Furthermore, employee bank and various bank accounts are not reconciled.	#2 - Initiators and Approvers of Vendor Disbursements #3 - Insufficient Support for Vendor Disbursements #4 - Operating Bank Account and Bank Reconciliations #5 - Other Bank Accounts and Bank Reconciliations #6 - Operating Bank Account Reconciliations Have Unreconciled Differences #27 - Petty Cash #28 - Physical Access to Vault	Yes	1) Every disbursement should have a separate initiator and approver and initiators and approvers be determined based on staff level and approvers should be at an appropriate level of hierarchy above the initiator. 2) Disbursements should be reviewed on a recurring basis to ensure disbursements were initiated and approved at the appropriate level. 3) Every disbursement should include vendor invoice, purchase order, and goods received report (if applicable) to validate the disbursement as well as ensuring the support is sufficient before approving. 4) Reconciliations should be performed on all cash accounts no later than 30 days following month-end and all unreconciled items should be resolved timely.
3	Misuse of Petty Cash	Petty cash cashier misappropriates company funds and hides the fraud with the lapping of funds and/or fraudulent reconciliations.	Petty cash cashier is "too busy" to allow spot audits of the cash by the plant controller, unreconciled petty cash.	Petty cash cashier stole collections for a local charity which was never entered into IVGID's books and records.	Task 6 - Financial Reporting Task 8 - Analysis of Cash Handling Procedures	Moderate	N/A	Low	During our Scope Period, petty cash was only reconciled on two different dates and reconciling items were identified with no support. Furthermore, employee banks and various bank accounts are not reconciled.	#27 - Petty Cash #28 - Physical Access to Vault	Yes	1) Reconciliations should be performed on all cash accounts no later than 30 days following month-end and all unreconciled items should be resolved timely. 2) The cash policy should be updated to include identification of who has authority to create and withdraw funds from a petty cash fund and what constitutes a valid expense purpose to utilize funds from petty cash.
Assets												
1	Theft	Conversion of company property to personal gain.	Lost or missing assets during the physical or cycle counts, sudden decrease in scrap sales, significant inventory adjustments.	An employee's personal computer stolen by another employee.	Task 1 - Interviews	High	N/A	Low	Physical inventory observations were not performed at several location during the Scope Period. Further, IVGID does not keep record of certain inventory items, such as food and beverages, and thus inventory reconciliations are not performed over this type of inventory.	#16 - Physical Inventory Observations and Reconciliations	Yes	1) Physical inventory observations should be performed annually at all IVGID locations, inclusive of food and beverage locations. 2) Each inventory location should have its own general ledger account and all inventory should be entered into the accounting system in a timely manner. 3) Inventory reconciliations should be performed no later than 30 days following month-end and all unreconciled items should be resolved timely.
2	Assets are overstated	Assets improperly reflected on balance sheet to improve financial outlook.	Asset balances are increasing.	Assets are capitalized improperly, resulting in an overstatement of assets.	Task 1 - Interviews Task 6 - Financial Reporting	High	N/A	Low	Through interviews and review of the capital expenditure financial reporting process, IVGID staff capitalize repairs and maintenance activity as well as other non-capitalizable projects. There were several projects that were capitalized during the Scope Period relating to repairs and maintenance that should be expensed as they did not extend the life or increase the functionality of the asset.	#9 - Capitalization of Projects Relating to Repairs and Maintenance	Yes	Refer to Additional Controls/Action Plans within Fraud Scheme #1 of the Revenue Recognition section above.
3	Assets are misclassified	Assets improperly reflected on balance sheet to improve financial outlook.	Classification of balances - Long-Term/Short-Term; Gross or Net; by Financial Statement Caption (e.g. item as operating or fixed asset).	Improper recognition of the useful life of an asset results in insufficient depreciation being taken.	Task 1 - Interviews Task 6 - Financial Reporting	High	N/A	Low	Through interviews and review of the capital expenditure financial reporting process, IVGID staff capitalize repairs and maintenance activity as well as other non-capitalizable projects. There were several projects that were capitalized during the Scope Period relating to repairs and maintenance that should be expensed as they did not extend the life or increase the functionality of the asset.	#9 - Capitalization of Projects Relating to Repairs and Maintenance	Yes	Refer to Additional Controls/Action Plans within Fraud Scheme #1 of the Revenue Recognition section above.

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Payroll, A											
1	Ghost employees	Increase in payroll expense without increase in salaries or number of employees, lack of segregation of duties.	Financial controller made payments to a friend for fictitious work.								
2	Falsification of time cards or attendance records	One or a few employees with excessive hours submitted on their time cards. Employee paid for days not worked.	A Production Manager authorized hours to a production employee for work not performed. The production employee then spill the overpayments with the Manager.								
3	Failure to remove retired or terminated employees from the payroll	Poor segregation of duties.	Manager fails to notify Human Resources of a terminated employee. Manager forges the paycheck for personal gain.								
4	Duplicate employees	Duplicate entries for the same employee.	Manager forges the duplicate paycheck for personal gain.								
5	Employees paid inaccurately (+/-)	Higher payroll costs; unexplained variances in the Salaries line item in forecasts/budgets.	Payroll processing an employee payroll change form in tandem with the employee manager, with a scheme to spill the overpayment.								

Notes

A We did not specifically test payroll as it was not included within our scope, but we believe there are fraud risks within IVGID's payroll process given the District's culture and internal control structure.

Material Costs											
1	Costs switching	Numerous cost revisions.	Manager knowingly misrepresents the capital project code to hid cost overruns.	Task 6 - Financial Reporting	Moderate	N/A	Low	The capital expenditure policy does not provide specifics on how to track project actuals against the project budget and what the process is for managing cost overruns. Additionally, project spend information is tracked on Excel spreadsheets as there are issues accumulating and coding costs in the Tyler Munis system.	#1 - Tyler Munis Implementation #30 - Capital Expenditure Approval Process (Initial and Overruns)	Yes	1) Procedures should be put in place to specify the process to be followed to ensure projects adhere to budget approvals and specify the process to address cost overruns. 2) Procurement activity should be conducted centrally as opposed to each department conducting procurement separately. 3) Procurement documentation for all solicitations be retained in a central depository for accessibility.
Purchasing											
1	Split purchases to avoid exceeding delegation of authority	Many purchases made just below the delegation of authority limit.	Misrepresentation of a purchase order to avoid secondary approval for personal gain.	Task 6 - Financial Reporting	Low	N/A	Low	As individual departments conduct their own procurement transactions, it was not feasible to obtain procurement documentation to test for purchase splitting.	#31 - Review of Capital Projects for Potential Bid Splitting	Yes	1) Procurement activity should be conducted centrally as opposed to each department conducting procurement separately.
2	Bid rigging	Continuous usage of the same supplier/poor quality goods issues reported at the site/complaints by vendors who did not receive the contract.	Manager received kickbacks from supplier for the business.	Task 4 - Vendor Award (Process to Pay) Process	Low	N/A	Low	Documentation is not readily available and properly organized for each executed contact including documentation and support surrounding the bidding process.	#36 - Consolidated List of Executed Contracts is not Readily Available	Yes	1) Document retention for each executed contract should be readily available and include support regarding the bidding process and rationale for the vendor awarded contract. 2) Project bidding and competitive solicitation should be followed in accordance with IVGID policy and the appropriate Nevada Regulation Statutes.
3	Over-billing schemes	Invoice amount does not match original purchase order.	Manager approves the higher invoice amount for personal gain.	Task 3 - Vendor Disbursements	Moderate	N/A	Low	There are many disbursements where there is no available support for the disbursement and many disbursements where they is no approver and/or the approver is the same individual as the initiator.	#2 - Initiators and Approvers of Vendor Disbursements #3 - Insufficient Support for Vendor Disbursements	Yes	Refer to Additional Controls/Action Plans within Fraud Scheme #4 of the Liabilities/Accounts Payable section above.
4	Using P-Cards or any other centrally billed cards for personal items	Lack of reconciliation and approval of a centrally billed account to items ordered and received.	Manager instructs accounts payable to pay a credit card bill which included his personal expenses.	Task 5 - Credit Cards	High	N/A	Low	We identified instances where an employee used the procurement card for personal expenses within our testing.	#12 - Personal Use of Procurement Cards #15 - Oversight of Procurement Card Program and Related Expense Reports	Yes	1) Employees should review the procurement card purchasing policy in sections 7 and 8 of the IVGID Employee Handbook yearly and as needed to ensure employees understand and purchases are to be for the use and benefit of the District. 2) There should be a formal review of procurement card program on a recurring basis to ensure it is in accordance with sections 7 and 8 of the IVGID Employee Handbook. 3) Expense report approvers should complete a thorough review of each expense report they are responsible for approving. The approver of the procurement card expense report should ensure the expense was for the use and benefit of the District, ensuring supporting documentation is appropriate and agrees to the reimbursement amount, and ensuring reimbursement requests are not duplicated and/or reimbursed with a previous expense report. 4) Restrict the standard industrial classification code of the card to only allow authorization for appropriate purchases.

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Expense reporting												
1	Misuse of credit card for personal purchases	Employee submits receipts for personal items and classifies them as business related.	Appearance of personal expenses on employee's expense reports. Lack of detailed manager review.	An employee falsified expense reports and charged personal expenses to the company.	Task 5 - Credit Cards	High	N/A	Low	We identified instances where an employee used the procurement card for personal expenses within our testing.	#12 - Personal Use of Procurement Cards #15 - Oversight of Procurement Card Program and Related Expense Reports	Yes	Refer to Additional Controls/Action Plans within Fraud Scheme #4 of the Purchasing section above.
2	Reimbursement for expenses not incurred	Employee submits fictitious receipts for expenses that were never incurred.	Manager did not review the detail receipts attached to the expense report, sequentially numbered receipts, hand-written receipts, photocopied receipts.	An employee falsified expense reports and charged personal expenses to the company.	Task 5 - Credit Cards	High	N/A	Low	Expense reports are approved without support for each transaction.	#13 - Insufficient and Inappropriate Support for Procurement Card Transactions #15 - Oversight of Procurement Card Program and Related Expense Reports	Yes	1) Employees should review the procurement card purchasing policy in sections 7 and 8 of the IVGID Employee Handbook yearly and as needed to ensure employees understand and appropriate and acceptable support to be submitted with expense reports. 2) There should be a formal review of procurement card program on a recurring basis to ensure it is in accordance with sections 7 and 8 of the IVGID Employee Handbook. 3) Expense report approvers should complete a thorough review of each expense report they are responsible for approving. The approver of the procurement card expense report should ensure the expense was for the use and benefit of the District, ensuring supporting documentation is appropriate and agrees to the reimbursement amount, and ensuring reimbursement requests are not duplicated and/or reimbursed with a previous expense report.
3	Reimbursement for inflated expenses	Employee submits receipts for amounts greater than the actual dollar amount spent.	expenses submitted do not match receipts, manipulated or suspicious receipts.	Employee spends \$11.00 expense submitted as \$111.00.	Task 5 - Credit Cards	High	N/A	Low	Expense reports are approved without support for each transaction and/or support provided does not tie to the transaction incurred.	#13 - Insufficient and Inappropriate Support for Procurement Card Transactions #15 - Oversight of Procurement Card Program and Related Expense Reports	Yes	Refer to Additional Controls/Action Plans within Fraud Scheme #3 of the Expense Reporting section above.
4	Duplicate Reimbursements	Employee submits some expense on more than one expense report.	Photocopies of receipts.	Employee uses the copy of a business receipt for multiple reimbursements.	Task 5 - Credit Cards	High	N/A	Low	One instance found where the sales tax amount was duplicated.	#14 - Sales Tax Charges #15 - Oversight of Procurement Card Program and Related Expense Reports	Yes	1) Employees should review the procurement card purchasing policy in sections 7 and 8 of the IVGID Employee Handbook yearly and as needed to ensure employees understand District purchases should not have sales tax charges. 2) There should be a formal review of procurement card program on a recurring basis to ensure it is in accordance with sections 7 and 8 of the IVGID Employee Handbook. 3) Expense report approvers should complete a thorough review of each expense report they are responsible for approving. The approver of the procurement card expense report should ensure the expense was for the use and benefit of the District, ensuring supporting documentation is appropriate and agrees to the reimbursement amount, and ensuring reimbursement requests are not duplicated and/or reimbursed with a previous expense report.
5	Falsification of business expenses	Employee uses blank receipt book to create business receipts or lack of receipts for items under \$25.	Receipts numbers in sequential order, invalid tax code, hand-written receipts.	Employee used a blank book of receipts to forge business receipts.	Task 5 - Credit Cards	High	N/A	Low	There were instances found where support agreed to the total amount of reimbursement but did not show the invoice line-item details that made up the total amount charged to the procurement card. The lack of support provided limits the reviewer from ensuring the total provided for reimbursement was used for appropriate items under the procurement card program.	#13 - Insufficient and Inappropriate Support for Procurement Card Transactions #15 - Oversight of Procurement Card Program and Related Expense Reports	Yes	Refer to Additional Controls/Action Plans within Fraud Scheme #3 of the Expense Reporting section above.
Government Regulations												
1	Nevada Revised Statutes violations	IVGID does not follow Nevada Revised Statutes for financial reporting and other policies.	Documentation not retained for executed contracts.	General Manager does not keep track of competitive solicitation documentation.	Task 4 - Vendor Award (Process to Pay) Process	Low	N/A	Low	Various instances throughout our contract testing may indicate violations of NRS 338, including no evidence of prevailing wage documentation and contracts awarded in line with approvals.	#18 - Contracts Awarded May Exceed Board of Trustees Funding Approval #37 - Prevailing Wages Evidence for Contracts Not Retained	Yes	1) Document retention for each executed contract should be readily available and in line with Nevada Regulation Statutes. 2) Project bidding and competitive solicitation should be followed in accordance with IVGID policy and the appropriate Nevada Regulation Statutes. 3) Contracts awarded should be in accordance with the Nevada Regulation Statutes.
Taxes												
1	Paying employees through expense reporting process or other various means to avoid paying employment tax	Company issues salaries or bonuses to employees through the expense reporting process in order to avoid paying payroll taxes.	Violations of IVGID's T&E Policy.	Several employees were improperly paid bonuses through T & E process to avoid employee taxation. Financial controller hired his stepdaughter and made payments to her without the proper deductions for social charges and payroll taxes.	Task 3 - Vendor Disbursements	Low	N/A	Low	Instances found where employees are set up as vendors when an employee is to receive a non-taxable disbursement by IVGID. Examples of reimbursements that IVGID believes are non-taxable include, but is not limited to: travel expenses, employee clothing allowances, and medical insurance reimbursements.	#3 - Insufficient Support for Vendor Disbursements #24 - Vendor & Employee Master Files - Duplicative and Overlapping Record Data #33 - Employee Clothing Allowances	Yes	1) Every disbursement should have a separate initiator and approver and initiators and approvers be determined based on staff level and approvers should be at an appropriate level of hierarchy above the initiator. 2) All reimbursements for IVGID employees through accounts payable should be researched to ensure compliance with the Federal and State of Nevada tax regulation to conclude if the payment should be considered employee taxable income.

APPENDIX 2

Preliminary and Tentative
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Analysis of Vendor Disbursements by Year during the Scope Period¹

Scope Period	Total Disbursements	Number of Instances
Fiscal Year 2021	\$ 17,800,927	6,761
Fiscal Year 2022	\$ 18,392,611	7,416
Fiscal Year 2023	\$ 28,394,145	10,006
Grand Total	\$ 64,587,683	24,183

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¹ No direct observation is noted from this analysis.

Analysis of Vendor Disbursements by Month during the Scope Period²

Scope Period	Total Disbursements	Number of Instances
2020-07	\$ 1,490,041	712
2020-08	\$ 1,737,284	544
2020-09	\$ 2,123,517	597
2020-10	\$ 2,694,829	530
2020-11	\$ 1,211,328	432
2020-12	\$ 885,082	531
2021-01	\$ 971,940	455
2021-02	\$ 757,075	482
2021-03	\$ 830,806	488
2021-04	\$ 1,028,281	635
2021-05	\$ 1,123,266	561
2021-06	\$ 2,947,478	794
2021-07	\$ 1,704,381	691
2021-08	\$ 1,527,361	621
2021-09	\$ 1,477,264	634
2021-10	\$ 1,589,392	532
2021-11	\$ 1,599,522	530
2021-12	\$ 1,383,369	517
2022-01	\$ 1,780,654	556
2022-02	\$ 1,130,636	509
2022-03	\$ 1,172,775	650
2022-04	\$ 1,284,756	585
2022-05	\$ 1,171,172	686
2022-06	\$ 2,571,330	905
2022-07	\$ 5,227,937	1723
2022-08	\$ 3,487,062	1735
2022-09	\$ 2,423,369	921
2022-10	\$ 1,603,762	747
2022-11	\$ 1,810,300	746
2022-12	\$ 2,049,038	602
2023-01	\$ 1,526,209	513
2023-02	\$ 835,337	541
2023-03	\$ 1,783,495	582
2023-04	\$ 1,603,894	560
2023-05	\$ 4,016,558	595
2023-06	\$ 2,027,184	741
Grand Total	\$ 64,587,683	24,183

² No direct observation is noted from this analysis.

Top 50 Vendors by Total Disbursements during the Scope Period³

Vendor Name	Total Disbursements
NV Energy	\$ 4,343,772
Core West, INC DBA Core Construction Serv. of NV	\$ 4,163,209
Mike Menath Insurance, Inc.	\$ 3,386,452
Granite Construction Co	\$ 2,781,779
Hershenow Klippenstein Architects LTD	\$ 1,923,810
Brycon Corporation	\$ 1,866,399
Daniel Fraiman Construction	\$ 1,626,597
US Foodservice, Inc.	\$ 1,444,413
K. G. Walters Construction Co	\$ 1,414,629
Rapid Construction, Inc	\$ 1,276,401
First Nonprofit Companies, Inc.	\$ 889,500
Western Nevada Supply	\$ 810,294
Kassbohrer All Terrain Vehicles, Inc.	\$ 810,122
Jacobs Engineering Group Inc, Formerly CH2M Hill	\$ 726,547
Tyler Technologies Inc	\$ 670,959
AT&T	\$ 643,871
HDR Engineering, Inc.	\$ 641,725
SHI International Corp.	\$ 580,378
Southwest Gas	\$ 579,520
EXL Media	\$ 576,073
Sierra Meat Co	\$ 549,681
Champion Chevrolet	\$ 522,368
Flyers Energy LLC	\$ 519,388
Cruz Construction Co., Inc.	\$ 518,919
FARR Construction CORP DbA:Resource Development CO	\$ 514,576
F.W. Carson Co.	\$ 505,747
Reno Disposal/DbA:Waste Management of Nevada	\$ 484,043
Turf Star, Inc.	\$ 482,544
Club Car, LLC	\$ 470,103
Acushnet Company	\$ 448,828
Southern Glazer's Wine & Spirits	\$ 444,974
North Lake Tahoe Fire Protection District	\$ 443,767
Thomas Petroleum, LLC	\$ 437,465
Dell Marketing LP C/O Dell USA L.P.	\$ 416,914
Axess Americas INC	\$ 397,955
Tate Snyder Kimsey Architects Ltd DBA TSK	\$ 396,463
CC Cleaning Service, LLC	\$ 363,211
Hutchison & Steffen LLC	\$ 350,246
Doppelmayr USA, Inc.	\$ 343,027
Patrick Gene Donald DBA Avail Enterprises LLC	\$ 311,836
BBK-Best Best & Krieger LLP	\$ 302,664
Olin Finance Company	\$ 283,810
Amer Sports Winter & Outdoor	\$ 280,527
Hill Brothers Chemical Company	\$ 274,045
Active Network, LLC	\$ 268,822
Univar Solutions USA Inc. DBA Univar USA Inc.	\$ 265,271
Solenis LLC	\$ 260,002
Sierra Nevada Construction, Inc.	\$ 251,142
Alta Vista Janitorial	\$ 237,993
AT&T Mobility - PAY ONLINE	\$ 225,660
Grand Total	\$ 42,728,445

³ No direct observation is noted from this analysis.

Analysis of Disbursements where Vendor Name Matches an IVGID Employee's Initials during the Scope Period⁴

Vendor Name	Employee Initial Match	Total Disbursements
K. G. Walters Construction Co	KG	\$ 1,417,671
H + K Architects	HK	\$ 997,905
HDR Engineering, Inc.	HR	\$ 139,998
L.A. Perks Plumbing & Heating, Inc.	LA	\$ 85,750
S&G Transportation, Inc.	SG	\$ 68,398
JP Engineering LLC	JP	\$ 64,500
EXL Media	EL	\$ 53,072
GS O3 Services, LLC	GS	\$ 49,758
MR Copy Inc	MR	\$ 41,035
S.C.&CO(Sportswear)Inc	SC	\$ 28,097
L&M Distribution, Inc.	LM	\$ 19,337
B&H Foto & Electronics Corp DBA B&H Photo Video	BH	\$ 14,706
PR Design & Engineering	PR	\$ 13,963
A. Carlisle & Company	AC	\$ 10,678
A.D. Williams Turf Sprayers	AD,AW	\$ 9,133
HD Supply, INC	HD	\$ 8,661
G P Burch Construction, Inc.	GB	\$ 8,623
AMA Golf Co.	AA	\$ 8,128
JM Squared Equipment	JM	\$ 8,057
A+M Equipment Sales	AM	\$ 7,454
GM Financials C/o Machemia Thomas	GM	\$ 7,329
BBK-Best Best & Krieger LLP	BK	\$ 6,339
KPS3 Marketing, Inc	KS	\$ 6,297
CA State Disbursement Unit	CA	\$ 4,991
TYR Sport, Inc.	TR	\$ 4,156
GPS Industries, LLC	GS	\$ 3,630
KP Apparel Group Inc Dba Gottex Lifestyle	KPM	\$ 3,380
R & R Products	RR	\$ 3,366
PR Diamond Products, INC	PR	\$ 3,134
CFA Software, Inc.	CA	\$ 2,995
GCP WW Holdco LLC DBA Work World America, Inc	GP	\$ 2,973
D.N.V Trust	DV	\$ 2,410
B Robinson LLC DBA Revo Sunglasses	BR	\$ 2,312
MSC Industrial Supply Co.	MC	\$ 1,990
J&R Sign Company LLC	JR	\$ 1,333
CA State Controller	CA	\$ 1,327
GEM DANDY - CIT Group Commercial Srvcs	GM	\$ 1,197
CA Franchise Tax Board	CA	\$ 1,164
CS & DL Marketing LLC	CS	\$ 814
J. Marcus CO/dba: Sydney Love	JM	\$ 411
CA Surveying & Drafting Supply Inc.	CA	\$ 169
AES of Nevada (Alcohol Ed Services), LLC	AS	\$ 80
Grand Total		\$ 3,116,720

⁴ No direct observation is noted from this analysis.

Analysis of Disbursements with a Rounded Thousand Dollar Disbursement during the Scope Period⁵

Vendor Name	Disbursement Amount	Number of Instances	Total Disbursements
Active Network, LLC	\$ 100,000	2	\$ 200,000
Active Network, LLC	\$ 22,000	1	\$ 22,000
Active Network, LLC	\$ 20,000	1	\$ 20,000
Active Network, LLC	\$ 10,000	1	\$ 10,000
Adrian Torres-Ibarra/dba: Torres Maintenance	\$ 3,000	1	\$ 3,000
Angel Perez Garcia DBA Angel's Service at the Lake	\$ 3,000	1	\$ 3,000
Badger Meter, Inc.	\$ 8,000	1	\$ 8,000
Baker Tilly US, LLP	\$ 10,000	1	\$ 10,000
Birdseye Construction	\$ 8,000	1	\$ 8,000
Birdseye Construction	\$ 3,000	1	\$ 3,000
Black Eagle Consulting, Inc.	\$ 6,000	1	\$ 6,000
Blue Locker Commercial Diving	\$ 4,000	1	\$ 4,000
Board of Regents,	\$ 2,000	1	\$ 2,000
Brontosaurus , LLC	\$ 2,000	1	\$ 2,000
Brown & Read Engineering, Inc	\$ 32,000	1	\$ 32,000
BSN Sports	\$ 2,000	1	\$ 2,000
Bushwhackers Tree Service, Inc	\$ 3,000	1	\$ 3,000
CC Cleaning Service, LLC	\$ 31,000	5	\$ 155,000
Chris Thompson DBA Atlas Kitchen Concepts	\$ 12,000	3	\$ 36,000
Clean Tahoe Program	\$ 120,000	12	\$ 1,440,000
Core West, INC DBA Core Construction Serv. of NV	\$ 15,000	1	\$ 15,000
Craig Rauchle PTSD Now!	\$ 3,000	1	\$ 3,000
Data West, A Div of Harris Systems USA	\$ 3,000	1	\$ 3,000
Davis Farr LLP	\$ 25,000	2	\$ 50,000
Davis Farr LLP	\$ 17,000	1	\$ 17,000
Davis Farr LLP	\$ 7,000	2	\$ 14,000
Del Rio Advisors LLC	\$ 20,000	1	\$ 20,000
Doppelmayr USA, Inc.	\$ 5,000	1	\$ 5,000
Eco Sports LCC	\$ 3,000	1	\$ 3,000
Eide Bailly LLP	\$ 45,000	3	\$ 135,000
Elements Mountain Company Inc	\$ 15,000	1	\$ 15,000
Erickson, Thorpe & Swainston, LTD	\$ 10,000	1	\$ 10,000
ESRI	\$ 40,000	4	\$ 160,000
ExerPlay, Inc	\$ 31,000	1	\$ 31,000
EXL Media	\$ 2,000	1	\$ 2,000
F.W. Carson Co.	\$ 16,000	1	\$ 16,000
Ferguson Waterworks - 1423	\$ 48,000	1	\$ 48,000
First Nonprofit Companies, Inc.	\$ 216,000	4	\$ 864,000
G&E Contracting DBA G&E Painting	\$ 8,000	1	\$ 8,000
GPS Industries, LLC	\$ 136,000	1	\$ 136,000
GS O3 Services, LLC	\$ 8,000	1	\$ 8,000
H + K Architects	\$ 111,000	4	\$ 444,000
Harris Enterprise Resource Planning	\$ 8,000	1	\$ 8,000
Harris Enterprise Resource Planning	\$ 5,000	1	\$ 5,000
Hershenow Klippenstein Architects LTD	\$ 32,000	1	\$ 32,000
Hershenow Klippenstein Architects LTD	\$ 7,000	1	\$ 7,000
Honor Flight NV	\$ 2,000	1	\$ 2,000
Hutchison & Steffen LLC	\$ 288,000	1	\$ 288,000
Hutchison & Steffen LLC	\$ 12,000	1	\$ 12,000
Integrity Pest Management, LLC	\$ 7,000	1	\$ 7,000
Integrity Pest Management, LLC	\$ 6,000	2	\$ 12,000
Integrity Pest Management, LLC	\$ 4,000	1	\$ 4,000
Integrity Pest Management, LLC	\$ 3,000	1	\$ 3,000

⁵ No direct observation is noted from this analysis.

Analysis of Disbursements with a Rounded Thousand Dollar Disbursement during the Scope Period (continued)⁶

Vendor Name	Disbursement Amount	Number of Instances	Total Disbursements
Johnson Valuation Group Ltd.	\$ 3,000	1	\$ 3,000
JP Engineering LLC	\$ 7,000	1	\$ 7,000
JP Engineering LLC	\$ 6,000	1	\$ 6,000
JP Engineering LLC	\$ 3,000	2	\$ 6,000
JP Engineering LLC	\$ 2,000	1	\$ 2,000
Judge Netting Inc.	\$ 96,000	1	\$ 96,000
Kassbohrer All Terrain Vehicles, Inc.	\$ 376,000	1	\$ 376,000
Kassbohrer All Terrain Vehicles, Inc.	\$ 24,000	1	\$ 24,000
Kathrine Rieger	\$ 14,000	1	\$ 14,000
L.A. Perks Plumbing & Heating, Inc.	\$ 9,000	1	\$ 9,000
L.A. Perks Plumbing & Heating, Inc.	\$ 8,000	1	\$ 8,000
Lumos & Associates, Inc.	\$ 5,000	1	\$ 5,000
Moss Adams LLP	\$ 10,000	1	\$ 10,000
Moss Adams LLP	\$ 9,000	4	\$ 36,000
Nevada Public Agency Insurance Pool	\$ 5,000	1	\$ 5,000
Nexgen Asset Management, Inc	\$ 7,000	2	\$ 14,000
Nexgen Utility Management, Inc	\$ 12,000	1	\$ 12,000
Ninja Tree Care	\$ 9,000	1	\$ 9,000
Olympus & Associates, Inc.	\$ 72,000	1	\$ 72,000
Owen Equipment Co.	\$ 7,000	1	\$ 7,000
Paso Robles Tank, Inc	\$ 109,000	1	\$ 109,000
Peter I. Breen	\$ 10,000	1	\$ 10,000
PlanetAir Turf Products, LLC	\$ 27,000	1	\$ 27,000
Q&D Construction, Inc	\$ 11,000	1	\$ 11,000
Questica, Inc.	\$ 3,000	1	\$ 3,000
Rapid Construction, Inc	\$ 38,000	1	\$ 38,000
Regents of the University of California, Davis	\$ 3,000	1	\$ 3,000
Resource Concepts, Inc.	\$ 2,000	1	\$ 2,000
Robert W Mathis DBA Mathis Consulting Group	\$ 8,000	1	\$ 8,000
Safehold Special Risk, INC	\$ 10,000	1	\$ 10,000
Salvador Estrada Rizo	\$ 4,000	1	\$ 4,000
Sherman & Howard, LLC	\$ 35,000	1	\$ 35,000
SHI International Corp.	\$ 2,000	1	\$ 2,000
Sierra Nevada Construction, Inc.	\$ 5,000	1	\$ 5,000
Sierra Pacific Turf Supply, Inc.	\$ 5,000	1	\$ 5,000
Sierra Watershed Education Partnerships	\$ 5,000	1	\$ 5,000
Simplot Partners	\$ 2,000	1	\$ 2,000
State Of Nevada / Bueara of Safe Drinking Water	\$ 4,000	2	\$ 8,000
State of Nevada-NDEP/BWPC	\$ 4,000	1	\$ 4,000
State of Nevada-NDEP/BWPC	\$ 2,000	1	\$ 2,000
Tahoe Mountain Milers	\$ 2,000	2	\$ 4,000
Tahoe Nevada Love	\$ 3,000	1	\$ 3,000
TechnoAlpin USA, Inc	\$ 4,000	1	\$ 4,000
The Regents of the University of California	\$ 3,000	1	\$ 3,000
The Regents of U.C.	\$ 3,000	1	\$ 3,000
Tri-Strategies, Ltd.	\$ 38,000	13	\$ 494,000
Troy Akin	\$ 3,000	1	\$ 3,000
Tyler Technologies Inc	\$ 4,000	1	\$ 4,000
Tyler Technologies Inc	\$ 3,000	2	\$ 6,000
United States Postal Service	\$ 3,000	1	\$ 3,000
US Postmaster	\$ 15,000	5	\$ 75,000
Veterans Guest House	\$ 2,000	1	\$ 2,000
West Coast Turf	\$ 2,000	1	\$ 2,000
Wreaths Across America	\$ 4,000	2	\$ 8,000
Grand Total		164	\$ 5,984,000

⁶ No direct observation is noted from this analysis.

Analysis of Disbursements where Vendor Name Matches an IVGID Employee's Initials with a Rounded Thousand Dollar Disbursement during the Scope

Period⁷

Vendor Name	Employee Initial Match	Disbursement Amount	Number of Instances	Total Disbursements
GS O3 Services, LLC	GS	\$ 8,000	1	\$ 8,000
H + K Architects	HK	\$ 36,000	2	\$ 72,000
H + K Architects	HK	\$ 32,000	1	\$ 32,000
H + K Architects	HK	\$ 7,000	1	\$ 7,000
JP Engineering LLC	JP	\$ 7,000	1	\$ 7,000
JP Engineering LLC	JP	\$ 6,000	1	\$ 6,000
JP Engineering LLC	JP	\$ 3,000	2	\$ 6,000
JP Engineering LLC	JP	\$ 2,000	1	\$ 2,000
L.A. Perks Plumbing & Heating, Inc.	LA	\$ 9,000	1	\$ 9,000
L.A. Perks Plumbing & Heating, Inc.	LA	\$ 8,000	1	\$ 8,000
Grand Total			12	\$ 157,000

Preliminary and Tentative
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⁷ No direct observation is noted from this analysis.

Incline Village General Improvement District
Appendix 2 – Analysis Charts

Analysis of Disbursements with a Description Containing ‘Beach’ during the Scope Period⁸

Description	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Total Disbursements
Burnt Cedar Beach Swimming Pools Project, Construction Admin and Inspection Services.	\$ 4,358	\$ 42,041		\$ 46,399
Video streaming and distribution services for District’s webcams at Diamond Peak ski resort and Ski Beach.	\$ 11,988	\$ 11,988		\$ 23,976
Beach Access Study, per Agreement dated 4/15/2022.			\$ 23,863	\$ 23,863
IVGID Beach Access Traffic Study.(PO 22-0302 390			\$ 11,690	\$ 11,690
IVGID Beach Access Traffic Study.(PO 22-0302 390-39-990-7505 3972BD2102)			\$ 11,690	\$ 11,690
Hazard tree removal Incline Beach		\$ 9,850		\$ 9,850
Expedited permit review, BCB Swimming Pool Project: IVGID Burnt Cedar Beach Pools Replacement Project	\$ 7,700			\$ 7,700
Pavement Maintenance, Ski Beach and Beaches Flatscape work, bid per NRS 338.	\$ 6,920			\$ 6,920
IVGID Beach Access Traffic Study. (Ref PO 22-0302)			\$ 6,646	\$ 6,646
IVGID Beach Access Traffic Study.(Ref PO 22-0302)			\$ 4,973	\$ 4,973
Weekly Service 07/16/21-08/12/21 Incline Beach		\$ 4,522		\$ 4,522
Weekly Service 08/13/21-09/09/21 Incline Beach		\$ 4,061		\$ 4,061
Weekly Service 09/10/21-10/07/21 Incline Beach		\$ 4,061		\$ 4,061
Liquor License period 01/01/22-03/31/22 for Mountain Golf, Rec Center, etc.		\$ 3,817		\$ 3,817
Liquor License period 07/01/21-09/30/21 for Mountain Golf, Rec Center, etc.	\$ 3,817			\$ 3,817
Liquor License period 10/01/21-12/31/21 for Mountain Golf, Rec Center, etc.		\$ 3,817		\$ 3,817
Liquor License period 04/01/22-06/30/22 for Mountain Golf, Rec Center, etc.		\$ 3,599		\$ 3,599
Burnt Cedar Beach			\$ 3,568	\$ 3,568
Liquor License period 04/01/21-06/30/21 for Mountain Golf, Rec Center, etc.	\$ 3,515			\$ 3,515
09/01/22-09/31/22 Trash - IV Burnt Cedar Beach			\$ 3,221	\$ 3,221
08/01/22-08/31/22 Trash - IV Burnt Cedar Beach			\$ 3,143	\$ 3,143
10/01/22-10/31/22 Trash - IV Burnt Cedar Beach			\$ 3,143	\$ 3,143
Video streaming and distribution services for District’s webcams at Diamond Peak ski resort and Ski Beach.			\$ 2,997	\$ 2,997
Burnt Beach - Layout & Striped-Parking Stalls	\$ 2,968			\$ 2,968
Business License for Mt Golf (W19193A-LIC),Hyatt Reg(W037161A-LIC), etc.		\$ 2,940		\$ 2,940
Weekly Service 06/28/22-07/05/22 Incline Beach			\$ 2,760	\$ 2,760
Weekly Service 06/28/22-07/05/22 Ski Beach			\$ 2,760	\$ 2,760
IVGID Beach Access Traffic Study.		\$ 1,648	\$ 1,070	\$ 2,718
Incline Beach			\$ 2,630	\$ 2,630
Tree removal beaches			\$ 2,575	\$ 2,575
Parks-Beaches playgrounds surfacing	\$ 2,437			\$ 2,437
Weekly Service 06/19/20-07/16/20 SKI BEACH	\$ 2,325			\$ 2,325
Incline Beach-Layout & Striped Paring Stalls, Hashed Area, Painted Arrows, etc.		\$ 2,230		\$ 2,230
09/01/21-09/30/21 Trash - IVGID Burnt Cedar Beach		\$ 2,076		\$ 2,076
10/01/21-10/31/21 Trash - IVGID Burnt Cedar Beach		\$ 2,076		\$ 2,076
December 2021 Legal Expenses Recreation/Beach issues		\$ 2,050		\$ 2,050
Emergency Phone for Ski Beach		\$ 1,945		\$ 1,945
Weekly Service 06/30/21-07/15/21 Incline Beach		\$ 1,902		\$ 1,902
Burnt Cedar Beach Bathrooms Prep and Paint	\$ 1,850			\$ 1,850
Incline Beach -Layout & Striped-Parking Stalls	\$ 1,830			\$ 1,830
Ski Beach			\$ 1,795	\$ 1,795
Burnt Cedar Beach Pool - Purchase and installation of CO2 Monitoring system			\$ 1,732	\$ 1,732
06/01/23-06/30/23 Trash - IV Burnt Cedar Beach			\$ 1,639	\$ 1,639
Ski Beach - Layout & Striped Boat Lane, Painted Arrows		\$ 1,595		\$ 1,595
Weekly Service 07/17/20 - 08/13/20 Incline Beach - Refer to Credit #214-2843176	\$ 1,575			\$ 1,575
Weekly Service 07/17/20-08/13/20 SKI BEACH	\$ 1,575			\$ 1,575
Weekly Service 08/14/20-09/10/20 Incline BEACH	\$ 1,575			\$ 1,575
Weekly Service 08/14/20-09/10/20 SKI BEACH	\$ 1,575			\$ 1,575
12-Yr Service (per cylinder) Incline Beach	\$ 1,542			\$ 1,542
07/01/21-07/31/21 Trash - IVGID Burnt Cedar Beach		\$ 1,523		\$ 1,523
IVGID - Pool Opening Burnt Cedar Beach,			\$ 1,500	\$ 1,500

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⁸ Vendor names available upon request by management. Additionally, no direct observation is noted from this analysis.

Incline Village General Improvement District
Appendix 2 – Analysis Charts

Analysis of Disbursements with a Description Containing ‘Beach’ during the Scope Period (continued)⁹

Description	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Total Disbursements
July 2021 Trash -IV Burnt Cedar Beach		\$ 1,391		\$ 1,391
Weekly Service 09/11/20-10/08/20 Incline BEACH	\$ 1,334			\$ 1,334
Weekly Service 09/11/20-10/08/20 SKI BEACH	\$ 1,334			\$ 1,334
August 2021 Trash -IV Burnt Cedar Beach		\$ 1,321		\$ 1,321
SKI BEACH HOLIDAY SERVICE July 4, 2020	\$ 1,310			\$ 1,310
Ski Beach - Layout & Striped Boat Lane	\$ 1,295			\$ 1,295
Incline beach portable toilets			\$ 1,285	\$ 1,285
Incline Beach Portables			\$ 1,285	\$ 1,285
Weekly Service 06/17/22-07/14/22 Incline Beach		\$ 1,285		\$ 1,285
Weekly Service 07/15/22-08/11/22 Incline Beach			\$ 1,285	\$ 1,285
Weekly Service 08/12/22-09/08/22 Incline Beach			\$ 1,285	\$ 1,285
Weekly Service 09/09/22-10/06/22 Incline Beach			\$ 1,285	\$ 1,285
Weekly Service 10/07/22-11/03/22 Incline Beach			\$ 1,285	\$ 1,285
Weekly Service 11/04/22-12/01/22 Incline Beach			\$ 1,285	\$ 1,285
Weekly Service 12/02/22-12/29/22 Incline Beach			\$ 1,285	\$ 1,285
Weekly Service 12/30/22-01/26/23 Incline Beach			\$ 1,285	\$ 1,285
Weekly Service 02/25/22-03/24/22 Incline Beach		\$ 1,283		\$ 1,283
Weekly Service 03/25/22-04/21/22 Incline Beach		\$ 1,283		\$ 1,283
Weekly Service 04/22/22-05/19/22 Incline Beach		\$ 1,283		\$ 1,283
Weekly Service 05/20/22-06/16/22 Incline Beach		\$ 1,283		\$ 1,283
Weekly Service 01/28/22-02/24/22 Incline Beach		\$ 1,193		\$ 1,193
Weekly Service 10/08/21-11/04/21 Incline Beach		\$ 1,193		\$ 1,193
Weekly Service 11/05/21-12/02/21 Incline Beach		\$ 1,193		\$ 1,193
Weekly Service 12/03/21-12/30/21 Incline Beach		\$ 1,193		\$ 1,193
Weekly Service 12/31/21-01/27/22 Incline Beach		\$ 1,193		\$ 1,193
Weekly Service 01/01/21-01/28/21 Incline Beach	\$ 1,093			\$ 1,093
Weekly Service 01/29/21-02/25/21 Incline Beach	\$ 1,093			\$ 1,093
Weekly Service 02/26/21-03/25/21 Incline Beach	\$ 1,093			\$ 1,093
Weekly Service 03/26/21-04/22/21 Incline Beach	\$ 1,093			\$ 1,093
Weekly Service 04/23/21-05/20/21 Incline Beach	\$ 1,093			\$ 1,093
Weekly Service 05/21/21-06/17/21 Incline Beach	\$ 1,093			\$ 1,093
Weekly Service 06/18/21-07/15/21 Incline Beach	\$ 1,093			\$ 1,093
Weekly Service 10/09/20-11/05/20 Incline Beach	\$ 1,093			\$ 1,093
Weekly Service 11/06/20-12/03/20 Incline Beach	\$ 1,093			\$ 1,093
Weekly Service 12/04/20-12/31/20 Incline Beach	\$ 1,093			\$ 1,093
Health Operating Permit # H20-0123PB Burnt Cedar Beach	\$ 537	\$ 545		\$ 1,082
Health Operating Permit # H20-0126PB Incline Beach	\$ 537	\$ 545		\$ 1,082
Emergency Phone for Ski Beach (Ref PO 22-0304)			\$ 1,058	\$ 1,058
December 2020 Trash -IV Burnt Cedar Beach	\$ 1,035			\$ 1,035
Weekly Service 04/21/23-05/18/23 Incline Beach			\$ 1,034	\$ 1,034
2020-2021 Incline Recreation & Beach Fees - annual billing & collection fee	\$ 1,000			\$ 1,000
2021-2022 Incline Recreation & Beach Fees - annual billing & collection fee	\$ 1,000			\$ 1,000
2022-2023 Incline Recreation & Beach Fees - annual billing & collection fee		\$ 1,000		\$ 1,000
2023-2024 Incline Recreation & Beach Fees - annual			\$ 1,000	\$ 1,000
05/01/22-05/31/22 Trash - IV Burnt Cedar Beach		\$ 957		\$ 957
Weekly Service 06/28/22-07/05/22 Burnt Cedar Beach			\$ 955	\$ 955
April 2021 Trash -IV Burnt Cedar Beach	\$ 887			\$ 887
February 2021 Trash -IV Burnt Cedar Beach	\$ 887			\$ 887
January 2021 Trash -IV Burnt Cedar Beach	\$ 887			\$ 887
June 2021 Trash -IV Burnt Cedar Beach	\$ 887			\$ 887
March 2021 Trash -IV Burnt Cedar Beach	\$ 887			\$ 887
May 2021 Trash -IV Burnt Cedar Beach	\$ 887			\$ 887

⁹ Vendor names available upon request by management. Additionally, no direct observation is noted from this analysis.

Incline Village General Improvement District
Appendix 2 – Analysis Charts

Analysis of Disbursements with a Description Containing 'Beach' during the Scope Period (continued)¹⁰

Description	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Total Disbursements
04/01/23-04/30/23 Trash - IV Burnt Cedar Beach			\$ 833	\$ 833
Service - Burnt Cedar Beach			\$ 832	\$ 832
03/01/23-03/31/23 Trash - IV Burnt Cedar Beach			\$ 813	\$ 813
Jan 2023 Trash IV Burnt Cedar Beach			\$ 800	\$ 800
Jan 23 Trash IV Burnt Cedar Beach			\$ 800	\$ 800
02/01-02/28/23 Trash - IV Burnt Cedar Beach			\$ 794	\$ 794
05/01/23-05/31/23 Trash - IV Burnt Cedar Beach			\$ 794	\$ 794
12/01/22-12/31/22 Trash - IV Burnt Cedar Beach			\$ 794	\$ 794
May 2021 Legal Expenses Recreation/Beach issues	\$ 775			\$ 775
12-Yr Service Maintenance of Suppression System - Burnt Cedar Beach	\$ 771			\$ 771
Burnt Cedar Beach - 12-Yr Service (Per Cylinder)	\$ 771			\$ 771
08/01/22-08/31/22 Trash - IVGID Burnt Cedar Beach			\$ 756	\$ 756
Change Combo for Rec, Ski, Golf & Beaches			\$ 750	\$ 750
PUMPING BURNT CEDAR & INCLINE BEACH GREASE			\$ 750	\$ 750
June 2020 Legal Expenses Recreation/Beach issues	\$ 725			\$ 725
Steam Cleaned Hoods, Ducts and Fans BEACH KITCHEN #1 (SEMI ANNUAL)		\$ 660		\$ 660
Ski beach portable toilets Jan 2023			\$ 636	\$ 636
SEMI ANNUAL HOOD SUPPRESSION SYSTEM INSPECTION - Burnt Cedar Beach		\$ 598		\$ 598
H20-0126PB Incline Beach			\$ 574	\$ 574
01/01/22-01/31/22 Trash - IV Burnt Cedar Beach		\$ 574		\$ 574
02/01/22-02/28/22 Trash - IV Burnt Cedar Beach		\$ 574		\$ 574
03/01/22-03/31/22 Trash - IV Burnt Cedar Beach		\$ 574		\$ 574
04/01/22-04/30/22 Trash - IV Burnt Cedar Beach		\$ 574		\$ 574
ANNUAL FIRE EXTINGUISHER INSPECTION - Burnt Cedar Beach	\$ 537			\$ 537
11/01/21-11/30/21 Trash - IV Burnt Cedar Beach		\$ 533		\$ 533
Emergency Line for Beach 967 Lakeshore			\$ 517	\$ 517
Beach Red Curb -Paint	\$ 500			\$ 500
Ski Beach irrigation repair		\$ 495		\$ 495
Burnt Cedar Beach - FIRE EXTINGUISHER INSPECTION		\$ 473		\$ 473
Ivgid Beach Snack Bar, 967 Lakeshore Blvd, Incline Village, NV - 1.0 Service Labor	\$ 390			\$ 390
12/01/21-12/31/21 Trash - IV Burnt Cedar Beach		\$ 390		\$ 390
Semi Annual Hood Suppression Insp. Incline Beach			\$ 357	\$ 357
Business License Renewal Burnt Cedar Beach # W17324A-LIC	\$ 348			\$ 348
Business License Renewal Incline Beach # W17323A-LIC	\$ 348			\$ 348
Fire Extinguisher inspection Incline Beach		\$ 334		\$ 334
Semi Annual hood suppression system inspection - Burnt Cedar Beach	\$ 318			\$ 318
Incline Beach - SEMI ANNUAL HOOD SUPPRESSION SYSTEM INSPECTION	\$ 312			\$ 312
Concerts at Commons Beach Roadies Sponsorship 2022		\$ 300		\$ 300
Semi Annual Hood Suppression System Inspection - Incline Beach		\$ 264		\$ 264
SEMI ANNUAL HOOD SUPPRESSION SYSTEM INSPECTION - Incline Beach	\$ 259			\$ 259
11/01/22-11/30/22 Trash - IV Burnt Cedar Beach			\$ 251	\$ 251
Semi Annual Hood Suppression System Inspection Burnt Cedar Beach	\$ 250			\$ 250
Refund for beach rental space at Burnt Cedar		\$ 125		\$ 125
Refund for picnic area at the beach			\$ 125	\$ 125
07/01/22-07/31/22 Trash - IVGID Burnt Cedar Beach			\$ 79	\$ 79
May 2021 Trash - Burnt Cedar Beach	\$ 76			\$ 76
Weekly Service 06/25/21-07/15/21 Incline Beach	\$ 75			\$ 75
Permit # 10650 Invoice #348329 (Beach Snack Bar)		\$ 24		\$ 24
Credit for Weekly Service 06/30/21-07/13/21 Incline Beach		\$ (231)		\$ (231)
Credit for Invoice # 114-10804132 Weekly Service 08/14/20-09/10/20 SKI BEACH	\$ (241)			\$ (241)
Credit for Invoice # 114-10804135 Weekly Service 08/14/20-09/10/20 SKI BEACH	\$ (241)			\$ (241)
Credit for Invoice# 571021437 (12-Yr Service (per cylinder) Incline Beach)	\$ (771)			\$ (771)
Credit for Weekly Service 07/16/21-08/12/21 Incline Beach		\$ (2,284)		\$ (2,284)
Grand Total	\$ 88,388	\$ 129,858	\$ 120,259	\$ 338,506

¹⁰ Vendor names available upon request by management. Additionally, no direct observation is noted from this analysis.

Incline Village General Improvement District
Appendix 2 – Analysis Charts

Analysis of Disbursements with a Description Containing ‘Golf’ during the Scope Period¹¹

Description	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Total Disbursements
Golf Merchandise for Resale	\$ 347,571	\$ 460,463	\$ 317,262	\$ 1,125,297
Champ Course Golf Maintenance Building Drainage Improvements.	\$ 516,422			\$ 516,422
Mountain Golf Cart Path Replacement, Phase 1. Board awarded 9/2/2021. Work bid per NRS 338.		\$ 420,884		\$ 420,884
Purchase of New Golf Cart Fleet for Championship			\$ 397,360	\$ 397,360
Golf Equipment - Resale			\$ 112,736	\$ 112,736
Mountain Golf Course Cart Path Reconstruction, Phase 1, per ASA 1; Board-awarded 3/10/2021.	\$ 26,898	\$ 38,524		\$ 65,422
Fertilizer for both golf courses	\$ 17,716	\$ 18,522	\$ 12,400	\$ 48,638
Batteries for golf carts		\$ 43,461		\$ 43,461
Golf courses tree work		\$ 33,995		\$ 33,995
Club Car contracted repairs to the Championship golf course golf carts.	\$ 23,129	\$ 6,408		\$ 29,537
EXL Media 2021-22 media buying services for Diamond Peak, Golf Courses, Facilities - Agency Fees.		\$ 27,339	\$ 1,446	\$ 28,785
Pavement maintenance, Golf facilities (PO 22300090)			\$ 28,355	\$ 28,355
Pavement maintenance, Golf facilities (PO22300090 , CIP 3242LI1204, 3141LI1201)			\$ 28,355	\$ 28,355
Mountain Golf Course Cart Path evaluation work, per ASA 52.	\$ 27,483			\$ 27,483
Golf / Parks - Parts			\$ 14,836	\$ 14,836
Mountain Golf Course Cart Path Restoration, Phases 2 and 3, per ASA 1. Board-awarded 11/10/2021. (11.27.21-12.24.21 Services)		\$ 13,853		\$ 13,853
Winter service and inspection of Mtn. Golf cart fl (PO 22300078)			\$ 11,160	\$ 11,160
Mid season fertilizer for both golf courses PO 22300155			\$ 11,004	\$ 11,004
Fungicides for winter golf course protection		\$ 10,814		\$ 10,814
EXL Media 2021-22 media buying services for Incline Village Golf Courses - paid media spending.		\$ 5,434	\$ 4,943	\$ 10,377
Mountain Golf Course Cart Path Reconstruction, Phase 1, per ASA 1; Board-awarded 3/10/2021. (period 12.25.21-01.21.22)		\$ 9,227		\$ 9,227
NV Energy January 2021 Admin and Golf	\$ 9,123			\$ 9,123
Mtn Golf Unleaded Gas @ \$4.408 per gal		\$ 8,824		\$ 8,824
Late season fertilizer for both golf courses PO 22300154			\$ 8,489	\$ 8,489
Golf Demo		\$ 1,510	\$ 6,584	\$ 8,094
30 Golf Cart batteries plus freight estimated	\$ 7,961			\$ 7,961
Bluegrass and ryegrass seed for golf courses		\$ 7,943		\$ 7,943
Batteries Golf		\$ 7,902		\$ 7,902
30 Golf Cart Batteries		\$ 7,649		\$ 7,649
New exterior ice maker for Champ Golf	\$ 7,556			\$ 7,556
Mountain Golf Course Cart Path Restoration, Phases 2 and 3, per ASA 1. Board-awarded 11/10/2021. (period 03.19.22-04.15.22)		\$ 7,035		\$ 7,035
PO 22300060 EXL Media fiscal 2023 media buying services for Golf Courses (Championship Course share) - paid media spending.			\$ 6,771	\$ 6,771
Golf Cart Batteries and Cables	\$ 6,260			\$ 6,260
Golf Shipping	\$ 2,791	\$ 2,121	\$ 963	\$ 5,875
8/1-8/15/2021 Cleaning - PW, Mountain Golf, Champion Golf, Treatment, Aspen Grove, Chateau, On Call Apartments		\$ 5,810		\$ 5,810
6 bear boxes for golf course	\$ 5,670			\$ 5,670
Mtn Golf Course Cart Path Improvements Project, Phase 1: Materials testing services.		\$ 5,600		\$ 5,600
EXL Media 2021-22 media buying services for Diamond Peak, Golf Courses, Facilities - Agency Fees.		\$ 5,419		\$ 5,419
06/01/21-06/15/21 Cleaning - Admin, Chateau, PW, Aspen Grove, Mountain Golf	\$ 4,910			\$ 4,910
Mt Golf tree service phase II		\$ 4,718		\$ 4,718
05/16/21-05/31/21 Cleaning - Admin, Chateau, PW, Aspen Grove, Mountain Golf	\$ 4,530			\$ 4,530
Batteries for golf		\$ 3,951		\$ 3,951
IVGID - Golf Center/Pool-5 boiler kits			\$ 3,898	\$ 3,898
Mtn Golf Unleaded Gas @ \$3.892 per gal	\$ 3,892			\$ 3,892
Champ Golf Cleaning			\$ 3,850	\$ 3,850
EXL Media 2021-22 media buying services for Diamond Peak, Golf Courses, Facilities - Agency Fees. (Period 04.01.22-04.30.22)		\$ 3,850		\$ 3,850
Champ Golf Unleaded Gas @ \$4.916 per gal			\$ 3,844	\$ 3,844
Liquor License period 01/01/22-03/31/22 for Mountain Golf, Rec Center, etc.		\$ 3,817		\$ 3,817
Liquor License period 07/01/21-09/30/21 for Mountain Golf, Rec Center, etc.	\$ 3,817			\$ 3,817
Liquor License period 10/01/21-12/31/21 for Mountain Golf, Rec Center, etc.		\$ 3,817		\$ 3,817
Liquor License period 04/01/22-06/30/22 for Mountain Golf, Rec Center, etc.		\$ 3,599		\$ 3,599
Liquor License period 04/01/21-06/30/21 for Mountain Golf, Rec Center, etc.	\$ 3,515			\$ 3,515
Golf Merchandise for Resale.	\$ 3,053			\$ 3,053
Champ Golf Off Road Diesel @ \$4.737 per gal			\$ 3,031	\$ 3,031
Snow Removal Golf Cart Path	\$ 3,000			\$ 3,000
Business License for Mt Golf(W19193A-LIC),Hyatt Reg(W037161A-LIC),Burnt Cedar Beach(W17324A-LIC), etc		\$ 2,940		\$ 2,940
IVGID-Golf Center/Pool-5 boiler kits			\$ 2,840	\$ 2,840
Mountain Golf Course Cart Path Restoration, Phases 2 and 3, per ASA 1. (period 12.25.21-01.21.22)		\$ 2,813		\$ 2,813
Mountain Golf Clubhouse Restoration; construction administration services. Change order to add As-built drawings at close of project.	\$ 2,807			\$ 2,807
Golf Course Striped-Parking Stalls 115, Painted Handicap Logo & Hash Lines		\$ 2,758		\$ 2,758
Champ Golf Off Road Diesel @ \$5.11 per gal		\$ 2,555		\$ 2,555
Demo Golf			\$ 2,415	\$ 2,415
Mt Golf and Championship Golf Course tree work		\$ 2,400		\$ 2,400
Mountain Golf Course Cart Path Restoration, Phases 2 and 3, per ASA 1. (Period 01.22.22-02.18.22)		\$ 2,381		\$ 2,381
Refund for charity golf tournament - 2022			\$ 2,290	\$ 2,290

¹¹ Vendor names available upon request by management. Additionally, no direct observation is noted from this analysis.

Incline Village General Improvement District
Appendix 2 – Analysis Charts

Analysis of Disbursements with a Description Containing 'Golf' during the Scope Period (continued)¹²

Description	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Total Disbursements
Refund for charity golf tournament -2022- approved by the BOT on 10/12/2022			\$ 2,290	\$ 2,290
Refund for charity golf tournament -2022-approved by BOT on 10/12/2022			\$ 2,290	\$ 2,290
Mortar Sand for Champion Golf Course			\$ 2,203	\$ 2,203
Champ Golf Off Road Diesel @ \$4,732 per gal			\$ 2,082	\$ 2,082
Bulk Fuel - Champ Golf Unleaded gas @\$4.978per gal			\$ 1,991	\$ 1,991
Backup Lines for Champ Golf	\$ 603	\$ 1,079	\$ 303	\$ 1,986
Mtn Golf Off Road Diesel 600 Gal @ \$3.301 per Gal	\$ 1,981			\$ 1,981
Champ Golf Off Road Diesel @\$3.59 per Gal			\$ 1,969	\$ 1,969
Champ Golf Off Road Diesel @ \$3.06 per gal		\$ 1,917		\$ 1,917
Champ Golf Unleaded Gas @5.467 per gal			\$ 1,913	\$ 1,913
Champ Golf Green Sand		\$ 1,852		\$ 1,852
Champ Golf Off Road Diesel @ \$3.779 per gal		\$ 1,852		\$ 1,852
Mt Golf Green Sand		\$ 1,835		\$ 1,835
Champ Golf Unleaded Gas @5.95 per gal		\$ 1,808		\$ 1,808
Champ Golf repair for fuel master		\$ 1,804		\$ 1,804
Champ Golf Unleaded Gas @4.452 per gal		\$ 1,781		\$ 1,781
Mtn Golf Unleaded Gas @ \$4.453 per gal (July 2021 inv.)		\$ 1,774		\$ 1,774
Champ Golf Unleaded Gas @4.311 per gal		\$ 1,746		\$ 1,746
Champ Golf Unleaded Gas @4.422 per gal		\$ 1,729		\$ 1,729
Champ golf Unleaded Gas 521 gal @ \$3.301 per gal	\$ 1,720			\$ 1,720
CIP 3141GC1501 Golf Course Maintenance Building:Dave N. 12.5hrs, Neil 3hrs David 3.5hrs, Repaired grout lines and brick joints	\$ 1,676			\$ 1,676
Backup lines for Admin #775 831-2000, Ski #775 831-2013, MT Golf #775 831-2011, etc.		\$ 1,674		\$ 1,674
Mtn Golf Off Road Diesel @ \$4.736 per gal			\$ 1,657	\$ 1,657
Champ Golf Off Road Diesel @ \$2.974 per gal	\$ 1,546			\$ 1,546
Cleanup Golf Course	\$ 1,500			\$ 1,500
Champ Golf Off Road Diesel @ \$4.989 per gal			\$ 1,497	\$ 1,497
Mtn Golf Off Road Diesel @ \$4.216 per gal			\$ 1,433	\$ 1,433
Champ Golf Off Road Diesel @ \$3.034 per gal	\$ 1,426			\$ 1,426
Mountain Golf Course Cart Path Restoration, Phases 2 and 3, per ASA 1, (Period 02.19.22-03.18.22)		\$ 1,406		\$ 1,406
Backup Lines for Mt Golf	\$ 604	\$ 760		\$ 1,364
Champ Golf Off Road Diesel @ \$3.224 per gal	\$ 1,341			\$ 1,341
Champ Golf Off Road Diesel @ \$3.282 per gal		\$ 1,329		\$ 1,329
Champ Golf Unleaded Gas @4.312 per gal	\$ 1,311			\$ 1,311
Mtn Golf Off Road Diesel @ \$3.805 per gal		\$ 1,297		\$ 1,297
Mountain Golf Layout & Striped-Parking Stalls	\$ 1,260			\$ 1,260
Champ Golf Off Road Diesel @ \$2.353 per gal	\$ 1,224			\$ 1,224
Golf Merchandise			\$ 1,142	\$ 1,142
Bulk Fuel - Champ Golf Road diesel @\$3.802 per Gal			\$ 1,140	\$ 1,140
Champ Golf Off Road Diesel @ \$3.335 per gal		\$ 1,140		\$ 1,140
Mtn Golf Off Road Diesel @ \$3.234 per gal		\$ 1,132		\$ 1,132
Champ Golf Off Road Diesel @\$3.631 per gal			\$ 1,125	\$ 1,125
Champ golf Off Road Diesel 500 gal @ \$2.223 per gal	\$ 1,111			\$ 1,111
Champ Golf Off Road Diesel @ \$5.251 per gal		\$ 1,050		\$ 1,050
Mtn Golf Off Road Diesel @ \$5.251 per gal		\$ 1,050		\$ 1,050
Mtn Golf Off Road Diesel @ \$5.001 per gal			\$ 1,000	\$ 1,000
Champ Golf Off Road Diesel @ \$2.313 per gal	\$ 983			\$ 983
Champ Golf Unleaded Gas @3.892 per gal	\$ 942			\$ 942
Champ Golf Unleaded Gas @3.131 per gal	\$ 939			\$ 939
Champ Golf Off Road Diesel @ \$2.143 per gal	\$ 857			\$ 857
Mtn Golf Off Road Diesel @ \$2.143 per gal	\$ 857			\$ 857
Champ Golf Oil			\$ 839	\$ 839
Golf For Resale		\$ 821		\$ 821
ANNUAL FIRE EXTINGUISHER INSPECTION - Mountain Golf	\$ 811			\$ 811
Disc Golf Supplies			\$ 778	\$ 778
Bulk Fuel - Mtn Golf Off Ro diesel @\$3.813 per Gal			\$ 763	\$ 763
June 2022 Armored Car Services - Golf		\$ 760		\$ 760
Health Operating Permit # H20-0885FOOD Mountain Golf Course Snck	\$ 374	\$ 381		\$ 755
Change Combo for Rec, Ski, Golf & Beaches			\$ 750	\$ 750
October 2022 Armored Car Services - Golf			\$ 746	\$ 746
September 2022 Armored Car Services - Golf			\$ 741	\$ 741
Champ Golf Course Topsoil Grade 1		\$ 705		\$ 705
Champ Golf Backup Line June 23			\$ 704	\$ 704
Champ Golf Off Road Diesel @ \$3.824 per gal		\$ 688		\$ 688
Mtn Golf Off Road Diesel @ \$3.311 per gal (July 2021 inv.)		\$ 670		\$ 670
Mtn Golf Off Road Diesel @ \$3.329 per gal		\$ 666		\$ 666
Mtn Golf Off Road Diesel @ \$3.299 per gal		\$ 660		\$ 660

¹² Vendor names available upon request by management. Additionally, no direct observation is noted from this analysis.

Incline Village General Improvement District
Appendix 2 – Analysis Charts

Analysis of Disbursements with a Description Containing 'Golf' during the Scope Period (continued)¹³

Description	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Total Disbursements
Golf Cart Service Shop - T/S Modine Heater			\$ 636	\$ 636
Business License Renewal Championship Golf Resort # W18191A-LIC	\$ 633			\$ 633
Mountain Golf Course installed continuous hinge on existing man door	\$ 632			\$ 632
July 2022 Armored Car Services - Golf			\$ 604	\$ 604
American Heart Assoc. BLS for Golf Course Marhalls	\$ 600			\$ 600
Snow removal - Champ Golf			\$ 600	\$ 600
August 2022 Armored Car Services - Golf			\$ 593	\$ 593
Mountain Golf Course Cart Path Reconstruction, Phase 1, per ASA 1;			\$ 564	\$ 564
May 2020 Cleaning – Chateau and Mountain Golf	\$ 560			\$ 560
Golf Merch for Resale			\$ 553	\$ 553
Champ Golf Off Road Diesel @ \$4.249 per gal			\$ 552	\$ 552
A-Arm Assembly, Golf Cart Steering Box, RXV Steering Box,		\$ 537		\$ 537
Weekly Service 01/13/22-02/09/22 Golf (Fairway Blvd)	\$ 512			\$ 512
Mountain Golf - Painted Handicap Logo & Hash Lines	\$ 500			\$ 500
Sponsorship- Tahoe Reno Golf Media Tour 6/6-6/11/21	\$ 500			\$ 500
WCHD Mountain Golf SNCK bar permit # H20-0885FOOD			\$ 500	\$ 500
The "Full Color Iron" Golf Towel 12" x 18"			\$ 495	\$ 495
Mountain Golf Course. outside ice maker dispenser repair			\$ 472	\$ 472
Mtn. Golf Off Road Diesel @ \$2.353 per gal	\$ 471			\$ 471
ANNUAL FIRE EXTINGUISHER INSPECTION - Champ Golf Maintenance	\$ 463			\$ 463
Mtn Golf Off Road Diesel @ \$3.034 per gal	\$ 455			\$ 455
Mtn Golf Off Road Diesel 200 Gal @ \$2.223 per Gal	\$ 445			\$ 445
Mountain Golf - FIRE EXTINGUISHER INSPECTION	\$ 440			\$ 440
Weekly Service 02/10/22-03/09/22 Golf (Fairway Blvd)	\$ 437			\$ 437
Weekly Service 03/10/22-04/09/22 Golf (Fairway Blvd)	\$ 437			\$ 437
Health Operating Permit Permit # H20-0880FOOD Champ Golf Snack bar			\$ 400	\$ 400
Mountain Golf Maint -Service	\$ 375			\$ 375
Sprinkler Test & Inspect - Golf Maintenance B1 - 931 Fairway Blvd 09.01.2020-08.31.2021	\$ 350			\$ 350
System-SP-Dry Sprinkler - Champ Golf		\$ 350		\$ 350
System-SP-Dry Sprinkler - Champ Golf BI-931 F			\$ 350	\$ 350
Golf Merchandise for Resale Ref Orig Inv 910861875	\$ 348			\$ 348
Business License Renewal Mountain Golf Resort # W18193A-LIC	\$ 348			\$ 348
Championship Golf Cart Barn (Sec) - Replaced contact on south rollup door		\$ 340		\$ 340
Service - Mountain Golf			\$ 327	\$ 327
Golf Embroidery			\$ 326	\$ 326
CO2 CYLINDER RENT GID GOLF	\$ 324			\$ 324
Fertilizer / Chemicals - Golf			\$ 313	\$ 313
Golf Tee White			\$ 303	\$ 303
Championship Golf Course - Backup Lines Apr23			\$ 252	\$ 252
Per Diem for Golf Industry Show 02.06-02.09.23			\$ 242	\$ 242
Spectrum Golf 09/01/21 -09/30/21		\$ 233		\$ 233
Championship Golf Cart Barn (Sec) - Burglar Alarm Installation Parts	\$ 225			\$ 225
Golf Course Maint Bldg (Sec) - Burglar Alarm Installation Parts	\$ 225			\$ 225
Mountain Golf Pro Shop (Sec) - Burglar Alarm Installation Parts	\$ 225			\$ 225
Golf Merchandise for Resale (Ref CM 16021984)		\$ 223		\$ 223
Champ Golf 03.07-04.06.23			\$ 217	\$ 217
Golf Merchandise for Resale (ref. CM 300372927)		\$ 214		\$ 214
Golf Merchandise for Resales Ref CM 15596371	\$ 206			\$ 206
Renew Golf Course Superintendent			\$ 195	\$ 195
Golf Shop Bags	\$ 181			\$ 181
Golf Merchandise for Resale (Ref. CM 16466952)			\$ 179	\$ 179
Permit # 206754 Inv 370698 Champ Golf			\$ 175	\$ 175
Golf Course Maint Bldg - Service labor		\$ 170		\$ 170
June 2023 Armored Car Services - Golf			\$ 168	\$ 168
Golf Merchandise for Reale			\$ 165	\$ 165
Ivgid Mountain Golf Course - SVC- 3/2/21 BK* Replaced battery in men?s room heat.	\$ 160			\$ 160
Golf Maint. 02/09/23-03/08 Acct#8354130020384038			\$ 158	\$ 158
Ice machine sanitizer, Mountain Golf		\$ 157		\$ 157
Spectrum Golf 12/01/21 -12/31/21		\$ 152		\$ 152
Golf Merchandise for Resale (Ref. CM 15512121)	\$ 150			\$ 150

¹³ Vendor names available upon request by management. Additionally, no direct observation is noted from this analysis.

Incline Village General Improvement District
Appendix 2 – Analysis Charts

Analysis of Disbursements with a Description Containing ‘Golf’ during the Scope Period (continued)¹⁴

Description	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Total Disbursements
Golf Small Equipment (Ref CM 15512121)	\$ 150			\$ 150
Ivgid Mountain Golf Course	\$ 150			\$ 150
Shredding service for Admin 05/12/21, Ski 05/19/21 and Golf 05/19/21	\$ 146			\$ 146
Shredding service for Admin 07/07/21, Ski 07/14/21 and Golf 07/14/21		\$ 146		\$ 146
Shredding service for Admin 08/05/20, Ski 08/12/20 and Golf 08/12/20	\$ 146			\$ 146
Shredding Service for Admin 09/30/20, Ski 10/07/20, Golf 10/07/20	\$ 146			\$ 146
Shredding service for Admin 11/25/20, Ski 12/02/20 and Golf 12/02/20	\$ 146			\$ 146
Golf Clubs	\$ 144			\$ 144
Golf Ring Target			\$ 130	\$ 130
Mountain Golf Pro Shop (Fire) - SVC* 4/13/21 RB* ANNUAL FIRE INSPECTION	\$ 130			\$ 130
False Alarm - Mountain Golf Course (Lodge)	\$ 125			\$ 125
False Alarm- Mountain Golf Course (Lodge)	\$ 125			\$ 125
Golf Merchandise for Sale	\$ 120			\$ 120
Golf Merchandised for Resale	\$ 120			\$ 120
Spectrum Golf 10/01/21 -10/31/21		\$ 118		\$ 118
Backup Lines for Champ Golf Dec22			\$ 107	\$ 107
Shredding Services for Admin 12/23/20, 01/20/21 & Golf 12/30/20	\$ 107			\$ 107
Championship Golf Course - Backup Lines Feb23			\$ 106	\$ 106
Golf Merchandise for Resale		\$ 101		\$ 101
False Alarm - Championship Golf Course - Cart Barn	\$ 100			\$ 100
Permit # 206753 Champ Golf			\$ 100	\$ 100
Permit # 206758 Invoice # 337575 Mountain Golf Course		\$ 100		\$ 100
Repair on champ Golf Course outside ice dispenser	\$ 95			\$ 95
Golf Merchandise for Resale Ref CM 16129486		\$ 85		\$ 85
Golf Maint. 03/09/23-04/08 Acct #8354130020384038			\$ 81	\$ 81
Shredding service for Golf 08/24/22 and 09/21/22			\$ 79	\$ 79
Golf Maint 04/09-05/08/23Acct #8354130020384038			\$ 78	\$ 78
Golf Merchandise for Whole Sale		\$ 77		\$ 77
Shredding service for Golf 08/11/21 and 09/08/21		\$ 74		\$ 74
Shredding service for Admin 06.09.21 & Golf 06.16.21	\$ 72			\$ 72
Shredding service for Admin 09/02/20, and Golf 09/09/20	\$ 72			\$ 72
Shredding Services for Admin & Golf 11/28/20 and 11/04/20	\$ 72			\$ 72
Golf Maint. 01/09/23-02/08 Acct #8354130020384038			\$ 71	\$ 71
Golf Merchandise for Resale Ref CM # 6907674240	\$ 70			\$ 70
Golf Merchandise for Resale (Ref CM 16548067)			\$ 67	\$ 67
Golf Maint 06/09-07/08/23Acct #8354130020384038			\$ 66	\$ 66
CYLINDER RENT SUMMARY 01/20/2022 TO 02/20/2022 GID GOLF		\$ 62		\$ 62
CYLINDER RENT SUMMARY 03/20/2022 TO 04/20/2022 GID GOLF		\$ 62		\$ 62
CYLINDER RENT SUMMARY 05/20/2022 TO 06/20/2022 GID GOLF		\$ 62		\$ 62
CYLINDER RENT SUMMARY 12/20/2021 TO 01/20/2022 GID GOLF		\$ 62		\$ 62
CYLINDER RENT SUMMARY 04/20/2022 TO 05/20/2022 GID GOLF		\$ 61		\$ 61
CYLINDER RENT SUMMARY 11/20/2021 TO 12/20/2021 GID GOLF		\$ 61		\$ 61
Golf Merchandise for Resale - Ref CM 15560772	\$ 60			\$ 60
CYLINDER RENT SUMMARY 01/20/2021 TO 02/20/2021 GID GOLF	\$ 59			\$ 59
CYLINDER RENT SUMMARY 03/20/2021 TO 04/22/2021 GID GOLF	\$ 59			\$ 59
CYLINDER RENT SUMMARY 05/20/2021 TO 06/20/2021 GID GOLF	\$ 59			\$ 59
CYLINDER RENT SUMMARY 07/20/2021 TO 08/20/2021 GID GOLF		\$ 59		\$ 59
CYLINDER RENT SUMMARY 08/20/2021 TO 09/20/2021 GID GOLF		\$ 59		\$ 59
CYLINDER RENT SUMMARY 10/20/2021 TO 11/20/2021 GID GOLF		\$ 59		\$ 59
CYLINDER RENT SUMMARY 12/20/2020 TO 01/20/2021 GID GOLF	\$ 59			\$ 59
CYLINDER RENT SUMMARY 02/20/2022 TO 03/20/2022 GID GOLF		\$ 58		\$ 58
CYLINDER RENT SUMMARY 04/20/2021 TO 05/20/2021 GID GOLF	\$ 58			\$ 58
CYLINDER RENT SUMMARY 06/20/2021 TO 07/20/2021 GID GOLF		\$ 58		\$ 58
CYLINDER RENT SUMMARY 09/20/2021 TO 10/20/2021 GID GOLF		\$ 58		\$ 58
CYLINDER RENT SUMMARY 11/20/2020 TO 12/20/2020 GID GOLF	\$ 58			\$ 58
Golf Merchandise for Resale Ref CM 7010004	\$ 57			\$ 57
CYLINDER RENT SUMMARY 02/20/2021 TO 03/20/2021 GID GOLF	\$ 55			\$ 55
CYLINDER RENT SUMMARY 10/20/2020 TO 11/20/2020 GID GOLF	\$ 54			\$ 54
CYLINDER RENT SUMMARY 9/20/2020 TO 10/20/2020 GID GOLF	\$ 52			\$ 52
CYLINDER RENT SUMMARY 07/20/2020-08/20/2020 GID GOLF	\$ 52			\$ 52
CYLINDER RENT SUMMARY 8/20/2020 TO 9/20/2020 GID GOLF	\$ 52			\$ 52
CYLINDER RENT SUMMARY 06/20/2020-07/20/2020 GID GOLF	\$ 50			\$ 50
Golf Merchandise for Resale -- Discount PB	\$ 47			\$ 47
CO2 CYLINDER GID GOLF		\$ 42		\$ 42
Shredding Serv Golf 05.03.23			\$ 40	\$ 40

¹⁴ Vendor names available upon request by management. Additionally, no direct observation is noted from this analysis.

Analysis of Disbursements with a Description Containing ‘Golf’ during the Scope Period (continued)¹⁵

Description	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Total Disbursements
Shredding Serv Golf 05.31.23			\$ 40	\$ 40
Shredding Serv Golf 04.05.23			\$ 40	\$ 40
Shredding serv. Golf 03.08.23			\$ 40	\$ 40
Shredding service for Golf 02/08/23			\$ 40	\$ 40
Shredding service for Golf 06/29/2022			\$ 40	\$ 40
Shredding service for Golf 07/27/22			\$ 40	\$ 40
Shredding service for Golf 10/19/22			\$ 40	\$ 40
Shredding service for Golf 11/16/22			\$ 40	\$ 40
Shredding service for Golf 12/14/22			\$ 40	\$ 40
Shredding service for Golf 05/04/22		\$ 37		\$ 37
Shredding service for Golf 06/01/2022		\$ 37		\$ 37
Shredding service for Golf 07/15/20	\$ 37			\$ 37
Shredding service for Golf 09/29/21		\$ 37		\$ 37
Shredding service for Golf 11/033/21		\$ 37		\$ 37
Shredding service for Golf 12/08/21		\$ 37		\$ 37
Permit # 206753 Inv 344618 Champ Golf		\$ 24		\$ 24
Spectrum Golf 01/01/22 -01/30/22		\$ 5		\$ 5
Shipping for Golf Merchandise for Resale		\$ 3		\$ 3
07/01/21-07/15/21 Cleaning - Admin, Chateau, PW, Aspen Grove, Mountain Golf		\$ -		\$ -
Credit for Golf Shipping			\$ (18)	\$ (18)
Credit for golf Merchandise Ref Inv 1273771	\$ (57)			\$ (57)
Credit for Golf Merchandise for Resale - Ref Inv. 15547093	\$ (63)			\$ (63)
Credit for golf merchandise for resale (Ref Inv 16531024)			\$ (69)	\$ (69)
Credit for Golf Merchandise for Resale Ref Inv # 6907530567	\$ (70)			\$ (70)
Credit for Golf Small Equipment (Ref. inv. 15449880)	\$ (150)			\$ (150)
Credit for invoice X646039 Golf Merchandise for Resale			\$ (206)	\$ (206)
Credit for Golf Merchandise for Resale (ref. Inv 164558598)			\$ (220)	\$ (220)
Credit golf merchandise for resale	\$ (300)			\$ (300)
Credit for golf Merchandise for Resale Ref Inv. 16250554		\$ (303)		\$ (303)
Credit for Safety Golf Cup	\$ (630)			\$ (630)
Credit Invoice 0935052617 Golf Merchandise for Resale			\$ (766)	\$ (766)
Credit for golf items for resale ref inv. # 6764550		\$ (870)		\$ (870)
Credit for Golf Demo			\$ (10,485)	\$ (10,485)
Credit for golf merchandise for resale	\$ (20,754)	\$ (8,938)	\$ (2,313)	\$ (32,006)
Grand Total	\$ 1,040,126	\$ 1,219,971	\$ 1,010,733	\$ 3,270,830

Preliminary and Tentative
Draft For Discussion Purposes Only

¹⁵ Vendor names available upon request by management. Additionally, no direct observation is noted from this analysis.

Incline Village General Improvement District
Appendix 2 – Analysis Charts

Analysis of Disbursements with a Description Containing 'Tennis' during the Scope Period¹⁶

Description	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Total Disbursements
Tennis Center Renovation. Work bid per NRS 338. Board awarded on June 10, 2020.	\$ 1,626,597			\$ 1,626,597
Tennis Merchandise for Resale	\$ 10,097	\$ 15,712	\$ 15,017	\$ 40,826
Tennis Center Renovation. Construction administration services per ASA 58. Awarded by the Board on June 10, 2020.	\$ 35,613	\$ 1,245		\$ 36,858
Deck Furniture - Tennis Area (Part CIP #4588BD1604, part operating)		\$ 22,042		\$ 22,042
Tennis Center Renovation, warranty materials inspection and testing. Will be reimbursed by D. Fraiman Construction.		\$ 5,598		\$ 5,598
Tennis Center Renovation Project; security alarm system per proposal dated August 10, 2020.	\$ 4,472			\$ 4,472
Tennis Center Renovation Project; security alarm system per proposal dated August 10, 2020.	\$ 3,945			\$ 3,945
Rec & Tennis			\$ 3,930	\$ 3,930
Rec-Center & Tennis - Layout & Striped-Parking Stalls	\$ 3,501			\$ 3,501
Food & beverage for the 2022 Tennis and Pickleball Open.			\$ 3,500	\$ 3,500
Tennis Supply			\$ 2,491	\$ 2,491
Rec-Center & Tennis- Painted Handicap Logo & hash lines, etc.		\$ 2,241		\$ 2,241
Tennis merch for resale	\$ 2,082			\$ 2,082
Backup lines for Admin #775 831-2000, Ski #775 831-2013, MT Golf #775 831-2011, etc.	\$	\$ 1,674		\$ 1,674
2 Navy Tennis/Pickleball Court Awnings			\$ 1,600	\$ 1,600
Tennis Merchandise for Resale and Operating Supply		\$ 1,571		\$ 1,571
Backup Lines for Tennis	\$ 603	\$ 758		\$ 1,362
Water Fill Station Grant Program -2 stations installed 2 X \$500 Granlibakken main lodge and Tennis Center	\$ 1,000			\$ 1,000
TENNIS PATCH Furnish, Deliver And Inst all 3" Compacted Thickness Type 3 PG64-22 Asphalt Permanent Patch		\$ 882		\$ 882
Tennis Complex (Sec). - Change Order #1	\$ 780			\$ 780
Reimbursement for Refrigerator purchase for Tennis	\$ 700			\$ 700
Rekey TENNIS COURTS			\$ 489	\$ 489
Tennis center icemaker maker repair			\$ 409	\$ 409
H20-0887FOOD Tennis			\$ 400	\$ 400
Health Operating Permit # H20-0887FOOD Tennis Complex Grocery		\$ 381		\$ 381
Health Operating Permit # H20-0887FOOD Tennis Complex Grocery	\$ 374			\$ 374
HP LASERJET PRO MFP M227FDW PRINTER, HP 30A LASERJET TONER CART BLK for Tennis	\$ 326			\$ 326
Application for Cabaret License (L-3) for Tennis	\$ 302			\$ 302
Weekly Service 04/02/21-04/29/21 Tennis Center	\$ 280			\$ 280
Operating Supply for Rec Center and Tennis		\$ 274		\$ 274
Ivgid Tennis Complex	\$ 273			\$ 273
Acct # 036659377 Tennis	\$ 254			\$ 254
Weekly Service 09/10/20-10/07/20 Tennis Center	\$ 241			\$ 241
Tennis Complex - Fire - Service is prorated from its Billing Activation date to Customer's next cycle billing date	\$ 231			\$ 231
Pickleball & Tennis Award various graphics			\$ 228	\$ 228
Weekly Service 04/30/21-05/27/21 Tennis Center	\$ 205			\$ 205
Satellite svc for 05/14/22-6/13/22 Tennis Acct 036659377		\$ 182		\$ 182
Weekly Service 10/08/20-11/04/20 Tennis Center	\$ 166			\$ 166
Weekly Service 11/05/20-12/02/20 Tennis Center	\$ 166			\$ 166
Weekly Service 12/03/20-12/30/20 Tennis Center	\$ 166			\$ 166
Pickleball & Tennis Award			\$ 163	\$ 163
Direct TV Tennis Acct 036659377 05.14.23-06.13.23			\$ 158	\$ 158
Direct TV Tennis Acct 036659377 04.14.23-05.13.23			\$ 154	\$ 154
Satellite svc for 06/14/22-7/13/22 Tennis Acct 036659377		\$ 153		\$ 153
Direct TV Tennis Acct 036659377 06.14.23-07.13.23			\$ 153	\$ 153
Ivgid Tennis Complex, 964 Incline Way, Incline Village, NV - 1.0 Service Labor	\$ 150			\$ 150
Tennis Complex (Sec) - SVC- 5/5/21 BK	\$ 150			\$ 150
Satellite svc for 07/14/21-08/13/21 Tennis Acct 036659377		\$ 147		\$ 147
Satellite svc for 07/14/22-8/13/22 Tennis Acct 036659377		\$ 147	\$ 147	\$ 147
Satellite svc for 08/14/21-09/13/21 Tennis Acct 036659377		\$ 147		\$ 147
Satellite svc for 08/14/22-9/13/22 Tennis Acct 036659377		\$ 147	\$ 147	\$ 147
Satellite svc for 09/14/21-10/13/21 Tennis Acct 036659377		\$ 147		\$ 147
Satellite svc for 09/14/22-10/13/22 Tennis Acct 036659377		\$ 147	\$ 147	\$ 147
Satellite svc for 10/14/22-11/13/22 Tennis Acct 036659377		\$ 147	\$ 147	\$ 147
Satellite svc for 06/14/21-07/13/21 Tennis Acct 036659377	\$ 83			\$ 83
Refund Tennis Open			\$ 50	\$ 50
Keys for Tennis		\$ 21		\$ 21
Tennis repair parts		\$ 15		\$ 15
Credit for Satellite svc for 09/14/21-10/13/21 Tennis Acct 036659377		\$ (5)		\$ (5)
Credit for Satellite svc for 11/14/22-11/13/22 Tennis Acct 036659377			\$ (54)	\$ (54)
Grand Total	\$ 1,692,757	\$ 53,186	\$ 29,276	\$ 1,775,219

¹⁶ Vendor names available upon request by management. Additionally, no direct observation is noted from this analysis.

Incline Village General Improvement District
Appendix 2 – Analysis Charts

Analysis of Disbursements with a Description Containing 'Ski' during the Scope Period¹⁷

Description	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Total Disbursements
Diamond Peak Ski Resort Final Audit 07/01-07/01/24			\$ 225,313	\$ 225,313
Diamond Peak Ski Resort Final Audit 07/01/22-07/01/23 General Liability and Excess Liability			\$ 187,981	\$ 187,981
Four Snowmaking Fan Guns; 2021/2022 Capital Improvement Program; Ski Project #3464SI1002; Vendor TechnoAlpin USA Inc.		\$ 122,600		\$ 122,600
LAKE TAHOE BASIN MGT UNIT 2019 SKI SLOPE OR SKI TRAIL - Diamond Peak, 2019 Final Fees, 2020 - Diamond Peak, Final Fees	\$ 109,731			\$ 109,731
FY21-FY22 USDA Ski Area Use Permit			\$ 87,679	\$ 87,679
Lakeview Ski Lift Maintenance & Improvements, Procurement of ski lift motor drive and control panel equipment.	\$ 87,120			\$ 87,120
Pavement maintenance, Diamond Peak and Ski Way.(PO 22300089 CIP 3469LI1105)			\$ 75,190	\$ 75,190
Lakeview Ski Lift Maintenance and Improvements; Refurbish and Rebuild Gear Reducer, Board-approved on 7/13/2021.		\$ 73,387		\$ 73,387
EXL Media 2020-21 media buying services for Diamond Peak Ski Resort - paid media spending	\$ 68,769			\$ 68,769
NV Energy January 2021 PW and Ski	\$ 63,281			\$ 63,281
Procurement purchase per NRS 332:Replace Surface Ski Lift 2021/2022 Capital Improvement Project; Ski #3467LE1703; Vendor; Star Lifts USA		\$ 55,565		\$ 55,565
EXL Media 2021-22 media buying services for Diamond Peak Ski Resort - paid media spending. (Service 01/01/22-01/14/22)		\$ 43,341		\$ 43,341
EXL Media 2021-22 media buying services for Diamond Peak Ski Resort - paid media spending. (Period 02.01.22-02.28.22)		\$ 42,901		\$ 42,901
EXL Media 2021-22 media buying services for Diamond Peak Ski Resort - paid media spending.		\$ 40,650		\$ 40,650
2021/2022 Capital Improvement Project #3462HE1711; etc.		\$ 35,647		\$ 35,647
2021/2022 Capital Improvement Project #3462HE1711; etc.		\$ 35,647		\$ 35,647
Diamond Peak flooring material replacement, ski lodge flooring and stairwell, child ski center, etc.		\$ 35,604		\$ 35,604
Diamond Peak flooring material replacement, ski lodge flooring and stairwell, child ski center, etc.			\$ 35,604	\$ 35,604
Diamond Peak Ski Resort Janitorial Services Contract to CC Cleaning, LLC.	\$ 34,125			\$ 34,125
2021/2022 Capital Improvement Project #3462HE1711; etc.		\$ 26,600		\$ 26,600
Video streaming and distribution services for District's webcams at Diamond Peak ski resort and Ski Beach.	\$ 11,988	\$ 11,988		\$ 23,976
Operating Expense - Doppelmayer Ski Lift Parts for annual maintenance.	\$ 18,953			\$ 18,953
2021/2022 Capital Improvement Project #3426HE1711 Lodgepole ski lift maintenance and improvements; etc.		\$ 18,398		\$ 18,398
Replace 105 Jr. rental skis as CIP #3468RE0002 was deferred by BOT's at the April 14 2020 meeting. The purchase will replace skis	\$ 18,271			\$ 18,271
EXL Media 2021-22 media buying services for Diamond Peak Ski Resort - paid media spending. (01.01.21-12.31.21 Pass Sales)		\$ 16,818		\$ 16,818
Approved 2020/2021 capital project Ridge Ski Lift Maintenance and improvements CIP#3462HE1903 Budget amount \$45,000	\$ 16,650			\$ 16,650
Bulk Fuel-Ski Off Road Diesel @ \$4.091 per Gal			\$ 16,362	\$ 16,362
Bulk Fuel-Ski Off Road Diesel @ \$4.177 per gal			\$ 16,289	\$ 16,289
Ski Resort Snowmobile Fleet Replacement	\$ 14,452			\$ 14,452
Ski Resort Snowmobile Fleet Replacement. Per Quote 28793-C7C5P6.		\$ 14,218		\$ 14,218
purchase Ski lift tickets - 25,000 - regular, 10,000 - restricted and 40,000 live = 75,000	\$ 13,312			\$ 13,312
Replacement Spine Shaft and Torque Hub for Lakeview Lift.2020/2021 approved capital project	\$ 13,280			\$ 13,280
Purchase of a new 37-pair Communications Line for Lakeview Ski Lift. CIP Project #3462HE1702	\$ 13,224			\$ 13,224
Village Ski Lift Merchandise Sales December 2021. VLS Due 82% X \$14,134.34=11,590.07		\$ 11,590		\$ 11,590
Red Fox Ski Lift Maintenance			\$ 11,559	\$ 11,559
2021/2022 Capital Improvement Project #3462HE1711; Lodgepole ski lift maintenance and improvements; etc.		\$ 10,856		\$ 10,856
COMMENTS: 2022 - Diamond Peak, Advanced Minimum Fee		\$ 10,404		\$ 10,404
Replacement Equipment Rental Helmets - Ski Venue - Operating 340.34.680.7435 (PO22-0200)			\$ 10,239	\$ 10,239
Safehold Special Risk General Liability - Self-Insured Retention fee Case no. SKI039790	\$ 10,000			\$ 10,000
Replacement electrical motor drive components Crystal Express ski lift	\$ 9,988			\$ 9,988
Ski Area Master Plan Implementation; preliminary consulting work associated with environmental entitlements	\$ 9,640			\$ 9,640
Invoice# 1454 Shuttle Lease- Ski Venue - Holiday Period		\$ 8,801		\$ 8,801
Rossignol Demo ski purchase 340-34-680-7435.Purchase 15 units to replace		\$ 8,504		\$ 8,504
Stripe Ski lots and Road Parking		\$ 7,877		\$ 7,877
Pavement Maintenance, Ski Beach and Beaches Flatscape work, bid per NRS 338.	\$ 6,920			\$ 6,920
January 2021 Trash Service-Ski 01/01/21-01/15/21	\$ 6,854			\$ 6,854
Ski resort Parking Lot striping	\$ 6,765			\$ 6,765
Hyatt Sport Shop January 2021 sale of Village ski Lift products. Village Ski Lift due 82% of sales. \$7,969.29 X 82% = \$6,534.82	\$ 6,535			\$ 6,535
Skid steer blower rental for snow removal			\$ 6,485	\$ 6,485
Hyatt Sport Shop February 2021 sale of Village ski Lift products. Village Ski Lift due 82% of sales. \$7,206.16 X 82% = \$5,909.05	\$ 5,909			\$ 5,909
Rossignol Demo ski purchase 340-34-680-7435. March 11, 2021. Purchase units to replace		\$ 5,802		\$ 5,802
Hyatt Sport Shop December 2020 sale of Village ski Lift products. Village Ski Lift due 82% of sales. \$6,906.17 X 82% = \$5,663.06	\$ 5,663			\$ 5,663
Administration ValP Hardware and Configuration, Ski ValP Hardware and Configuration		\$ 5,641		\$ 5,641
Village Ski Lift Merchandise Sales February 2022. VLS Due 82% X \$6,494.50 = \$5,325.49		\$ 5,325		\$ 5,325
Hyatt Sport Shop March 2021 sale of Village ski Lift products. Village Ski Lift due 82% of sales. \$6,440.31 X 82% = \$5,281.05	\$ 5,281			\$ 5,281
EXL Media 2021-22 media buying services for Diamond Peak Ski Resort Employment Campaigns - paid media spending		\$ 4,994		\$ 4,994
Preventative maintenance of elevator equipment July 1, 2021 - June 30, 2022 Ski Resort		\$ 4,751		\$ 4,751
Replacement Equipment Rental Demo Skis - Ski Venue - Operating 340.34.680.7435 (PO 22-0199)			\$ 4,676	\$ 4,676
Salomon Demo ski purchase 340-34-680-7435. March 23, 2021. Purchase 12 units to replace		\$ 4,642		\$ 4,642
Ski Shop Oil	\$ 4,536			\$ 4,536
Ski Way and Diamond Peak Parking Lot Reconstruction; follow-on pavement reconstruction	\$ 4,500			\$ 4,500
Lodgepole ski Lift professional services gear reducer inspection by Artec Machine Systems Quote No. ZY213695 340.34.620.7510		\$ 4,393		\$ 4,393
Village Ski Lift Merchandise Sales January 2022. VLS Due 82% X \$5,317.03 = \$4,359.96		\$ 4,360		\$ 4,360
Ski Rentals			\$ 4,100	\$ 4,100
ANNUAL FIRE EXTINGUISHER INSPECTION - Diamond Peak Ski	\$ 3,988			\$ 3,988

¹⁷ Vendor names available upon request by management. Additionally, no direct observation is noted from this analysis.

Incline Village General Improvement District
Appendix 2 – Analysis Charts

Analysis of Disbursements with a Description Containing ‘Ski’ during the Scope Period (continued)¹⁸

Description	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Total Disbursements
December 2020 Trash Service-Ski	\$ 3,883			\$ 3,883
Village Ski Loft Merchandise Sales March 2022. VLS Due 82% X \$4,266.93 = \$3,498.88		\$ 3,499		\$ 3,499
Diamond Peak Ski Resort Final Audit 07/01/20-07/01/21 General Liability and Excess Liability		\$ 3,363		\$ 3,363
Cockroach/Rodent, Large Fly, Any Program - Ski	\$ 2,871	\$ 479		\$ 3,350
Jan 2023 Trash Service-Ski 01.16.23-01.31.23 30 YD			\$ 3,178	\$ 3,178
Video streaming and distribution services for District's webcams at Diamond Peak ski resort and Ski Beach. (PO 22300032)			\$ 2,997	\$ 2,997
Upper Shop - Diamond Ski 7/20/21 Service		\$ 2,775		\$ 2,775
Blue Ski Tag Ties, 5000 per case		\$ 2,760		\$ 2,760
Weekly Service 06/28/22-07/05/22 Ski Beach			\$ 2,760	\$ 2,760
Service - Diamond Peak Ski			\$ 2,715	\$ 2,715
Diamond Peak Ski - FIRE EXTINGUISHER INSPECTION		\$ 2,705		\$ 2,705
Dec 2022 Trash Service-Ski 12.16.22-12.31.22			\$ 2,469	\$ 2,469
February 2022 Trash Service-Ski (02/16/22-02/28/22)		\$ 2,440		\$ 2,440
December 2021 Trash Service-Ski (12/16/21-12/31/21)		\$ 2,380		\$ 2,380
February 2022 Trash Service-Ski (02/01/22-02/15/22)		\$ 2,380		\$ 2,380
Jan 2023 Trash Service-Ski 01.01.23-01.15.23			\$ 2,380	\$ 2,380
January 2022 Trash Service-Ski (01/01/22-01/15/22)		\$ 2,380		\$ 2,380
Weekly Service 06/19/20-07/16/20 SKI BEACH	\$ 2,325			\$ 2,325
February 2021 Trash Service-Ski 03/01/21-03/15/21	\$ 2,285			\$ 2,285
June expense Cat Skid Steer			\$ 2,175	\$ 2,175
Take down, chipping, hauling, and clean up of dead Fir tree flagged with pink ribbon	\$ 2,175			\$ 2,175
Ski Shipping	\$ 941	\$ 1,114	\$ 30	\$ 2,086
Service Call Ski Fleet Bay			\$ 2,076	\$ 2,076
April 2021 Trash Service-Ski	\$ 2,071			\$ 2,071
Lifeguarding and Waterfront Skills	\$ 905	\$ 581	\$ 567	\$ 2,053
Emergency Phone for Ski Beach		\$ 1,945		\$ 1,945
Ski Beach			\$ 1,795	\$ 1,795
Preventative maintenance of elevator equipment July 1, 2021 - June 30, 2022 Skier Services Bldg		\$ 1,781		\$ 1,781
January 2022 Trash Service (1-4 yard Dumpster)-Ski		\$ 1,676		\$ 1,676
January 2022 Trash Service-Ski (01/16/22-01/31/22)		\$ 1,676		\$ 1,676
Backup lines for Admin #775 831-2000, Ski #775 831-2013, MT Golf #775 831-2011, etc.		\$ 1,674		\$ 1,674
December 2021 Trash Service-Ski		\$ 1,666		\$ 1,666
Ski Tags			\$ 1,605	\$ 1,605
Ski Beach - Layout & Striped Boat Lane - Painted Arrows		\$ 1,595		\$ 1,595
March 2022 Trash Service-Ski (03/01/22-03/15/22)		\$ 1,587		\$ 1,587
Hyatt Sport Shop November 2020 sale of Village ski Loft products. Village Ski Loft due 82% of sales.	\$ 1,580			\$ 1,580
Tool Bench, 8'galvanized combo ski/snowboard rack		\$ 1,575		\$ 1,575
Weekly Service 07/17/20-08/13/20 SKI BEACH	\$ 1,575			\$ 1,575
Weekly Service 08/14/20-09/10/20 SKI BEACH	\$ 1,575			\$ 1,575
March 2021 Trash Service-Ski 03/16/21-03/31/21	\$ 1,523			\$ 1,523
Diamond Peak Ski Resort Children's Area for Day Camp			\$ 1,500	\$ 1,500
April 2022 Trash Service-Ski (04/01/22-04/15/22)		\$ 1,498		\$ 1,498
March 2022 Trash Service-Ski (03/16/22-03/31/22)		\$ 1,498		\$ 1,498
Hyatt Sport Shop April 2021 sale of Village ski Loft products. Village Ski Loft due 82% of sales.	\$ 1,463			\$ 1,463
Cockroach/Rodent, Large Fly, Ant Program - Ski		\$ 1,436		\$ 1,436
Backup lines for Ski	\$ 603	\$ 758		\$ 1,362
Weekly Service 09/11/20-10/08/20 SKI BEACH	\$ 1,334			\$ 1,334
Refund for unused Group Ski Trip credit remaining- Order ID # 21339152		\$ 1,328		\$ 1,328
SKI BEACH HOLIDAY SERVICE July 4, 2020	\$ 1,310			\$ 1,310
Ski Beach - Layout & Striped Boat Lane	\$ 1,295			\$ 1,295
January 2022 Trash Service-Ski		\$ 1,111		\$ 1,111
Upper Shop - Diamond Ski, Precision Test Tank (12K and under), etc.	\$ 1,072			\$ 1,072
December 2022 Trash Service-Ski (12/01/22-12/31/22)			\$ 1,064	\$ 1,064
Emergency Phone for Ski Beach (Ref PO 22-0304)			\$ 1,058	\$ 1,058
January 2021 Trash Service-Ski	\$ 1,052			\$ 1,052
Ski Merchandise for Resale			\$ 1,051	\$ 1,051
Reimbursement for Cost of PSIA Alpine Ski Level 1 Certification Exam on April 1st and 2nd 2021	\$ 1,050			\$ 1,050
Sprinkler Test & Inspect - Diamond Peak Ski Resort - Fleet - 1210 Ski Way 09.01.2020-08.31.2021	\$ 1,016			\$ 1,016
System-SP-Wet Sprinkler and System-SP-FIRE Pump SKI Way		\$ 1,016		\$ 1,016
Replacement Equipment Rental Demo Skis - Ski Venue - Operating 340.34.680.7435 (PO 22-0201)			\$ 998	\$ 998
Feb 2023 Trash Service-Ski 02.01.23-02.28.23			\$ 983	\$ 983
Jan 2023 Trash Service-Ski 01.01.23-01.31.23			\$ 983	\$ 983
Cockroach/Rodent, Large Fly, Ant Program SKI		\$ 957		\$ 957
21766- 4-IVGID- Ski Hill Facility- Troubleshoot Furnace	\$ 915			\$ 915
System-SP-Wet Sprinkler - Ski Resort Main Lodge		\$ 191	\$ 704	\$ 895

¹⁸ Vendor names available upon request by management. Additionally, no direct observation is noted from this analysis.

Incline Village General Improvement District
Appendix 2 – Analysis Charts

Analysis of Disbursements with a Description Containing ‘Ski’ during the Scope Period (continued)¹⁹

Description	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Total Disbursements
June 2021 Trash Service (1-4 yard Dumpster)-Ski	\$ 888			\$ 888
Nitrogen - CO2 Ski			\$ 848	\$ 848
Printing Forms Speedtronic Pro, Speedtronic, Skitronic Plus, WINTERSTEIGER Slik Waxes Bulk Waffles	\$ 839			\$ 839
July 2021 Trash Service (1-4 yard Dumpster)-Ski		\$ 790		\$ 790
August 2021 Trash Service (1-4 yard Dumpster)-Ski		\$ 779		\$ 779
November 2021 Trash Service (1-4 yard Dumpster)-Ski		\$ 779		\$ 779
October 2021 Trash Service (1-4 yard Dumpster)-Ski		\$ 779		\$ 779
September 2021 Trash Service (1-4 yard Dumpster)-Ski		\$ 779		\$ 779
Village Ski Loft Merchandise Sales April 2022, VLS Due 82% X \$940.87 = \$771.51		\$ 772		\$ 772
February 2021 Trash Service-Ski 02/16/21-02/28/21	\$ 762			\$ 762
January 2021 Trash Service-Ski 01/16/21-01/31/21	\$ 762			\$ 762
May 2021 Trash Service-Ski	\$ 762			\$ 762
Change Combo for Rec, Ski, Golf & Beaches			\$ 750	\$ 750
Direct TV Ski Acct # 022145763 01/27/23-02/26/23			\$ 676	\$ 676
Direct TV Ski Acct 022145763 06/27-07/26/23			\$ 672	\$ 672
Direct TV Ski Acct 022145763 02/27-03/26/23			\$ 672	\$ 672
Direct TV Ski Acct 022145763 04/27-05/26/23			\$ 672	\$ 672
Direct TV Ski Acct 022145763 05/27-06/26/23			\$ 672	\$ 672
Village Ski Loft Merchandise Sales November 2021, VSL Due 82% \$817.90 X 82% = \$670.68		\$ 671		\$ 671
Direct TV Ski Acct 022145763 03/27-04/26/23			\$ 666	\$ 666
Ski beach portable toilets Jan 2023			\$ 636	\$ 636
Direct TV Ski Acct # 022145763 12/27/21-01/26/22		\$ 623		\$ 623
Steam Cleaned Hoods, Ducts and Fans DIAMOND PEAK SKI RESORT (ANNUAL)			\$ 605	\$ 605
SKI SET L QST MAX Jr M + L6 GW J2 140, BINDINGS L L6 GW Black/White J2 80, SKIS L QST MAX Jr M Blue/White 140	\$ 579			\$ 579
Direct TV Ski Acct # 022145763 01/27/22-02/26/22		\$ 577		\$ 577
Direct TV Ski Acct # 022145763 04/27/22-05/26/22		\$ 572		\$ 572
Direct TV Ski Acct # 022145763 05/27/22-06/26/22		\$ 572		\$ 572
Direct TV Ski Acct # 022145763 12/27/22-01/26/23			\$ 572	\$ 572
April 2022 Trash Service-Ski (2-6 Yard Dumpster)		\$ 572		\$ 572
February 2022 Trash Service-Ski		\$ 572		\$ 572
March 2022 Trash Service-Ski (2-6 Yard Dumpster)		\$ 572		\$ 572
Direct TV Ski Acct # 022145763 02/27/22-03/26/22		\$ 566		\$ 566
Direct TV Ski Acct # 022145763 03/27/22-04/26/22		\$ 566		\$ 566
Direct TV Ski Acct # 022145763 06/27/22-07/26/22		\$ 566		\$ 566
Direct TV Ski Acct # 022145763 07/27/22-08/26/22			\$ 566	\$ 566
Direct TV Ski Acct # 022145763 08/27/22-09/26/22			\$ 566	\$ 566
Direct TV Ski Acct # 022145763 09/27/22-10/26/22			\$ 566	\$ 566
Direct TV Ski Acct # 022145763 10/27/22-11/26/22			\$ 566	\$ 566
Direct TV Ski Acct # 022145763 11/27/22-12/26/22			\$ 566	\$ 566
SEMI ANNUAL HOOD SUPPRESSION SYSTEM INSPECTION- Diamond Peak Ski		\$ 564		\$ 564
February 2021 Trash Service-Ski	\$ 548			\$ 548
March 2021 Trash Service-Ski	\$ 548			\$ 548
Direct TV Ski Acct # 022145763 11/27/21-12/26/21		\$ 528		\$ 528
Direct TV Ski Acct # 022145763	\$ 516			\$ 516
Direct TV Ski Acct # 022145763 07/27/21-08/26/21		\$ 516		\$ 516
Direct TV Ski Acct # 022145763 08/27/21-09/26/21		\$ 516		\$ 516
Direct TV Ski Acct # 022145763 09/27/21-10/26/21		\$ 516		\$ 516
Direct TV Ski Acct # 022145763 10/27/21-11/26/21		\$ 516		\$ 516
Diamond Peak Ski Resort - Main Lodge		\$ 513		\$ 513
Feb 2023 2022 Armored Car Services - Ski			\$ 502	\$ 502
Commercial Cleaning - Diamond Peak Ski Resort September 2020	\$ 500			\$ 500
Reimb. for cost of PSIA Alpine Ski Level 2 Cert.			\$ 500	\$ 500
Ski Beach irrigation repair		\$ 495		\$ 495
Skid 6" for Mainline Root Cutter, Skid 8" Mainline for Root Cutter, Gasket		\$ 465		\$ 465
Lifeguarding&Wtrfront Skills/Safety Instructor			\$ 454	\$ 454
Diamond Peak Ski - SEMI ANNUAL HOOD SUPPRESSION SYSTEM INSPECTION	\$ 442			\$ 442
May 2021 Trash Service (1-4 yard Dumpster)-Ski	\$ 435			\$ 435
Monthly Services March 2022 - Ski		\$ 433		\$ 433
CO2 rental Ski 02.20.23-03.20.23			\$ 425	\$ 425
Diamond Peak Skier Svcs (Sec) Repair			\$ 422	\$ 422
SEMI ANNUAL HOOD SUPPRESSION SYSTEM INSPECTION - Diamond Peak Ski		\$ 417		\$ 417
Commercial Cleaning - Diamond Peak Ski Resort November 2020	\$ 400			\$ 400
Commercial Cleaning - Diamond Peak Ski Resort October 2020	\$ 400			\$ 400
Commercial Cleaning - Incline Village Diamond Peak Ski Resort August 2020	\$ 400			\$ 400
CYLINDER RENT SUMMARY 12/20/2021 TO 01/20/2022 GID SKI		\$ 397		\$ 397

¹⁹ Vendor names available upon request by management. Additionally, no direct observation is noted from this analysis.

Incline Village General Improvement District
Appendix 2 – Analysis Charts

Analysis of Disbursements with a Description Containing ‘Ski’ during the Scope Period (continued)²⁰

Description	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Total Disbursements
CYLINDER RENT SUMMARY 11/20/2021 TO 12/20/2021 GID SKI		\$ 385		\$ 385
Replacement Equipment Rental Helmets - Ski Venue - Operating 340.34.680.7435 (PO 22-0200)			\$ 383	\$ 383
NIT-CO2 - Ski			\$ 382	\$ 382
Sprinkler Test & Inspect - Diamond Peak Resort - Ski/Admin 1210 Ski Way -011781 09.01.2020-08.31.2021	\$ 362			\$ 362
System-SP-Wet Sprinkler and System-SP-Antifreeze - Ski/Admin		\$ 362		\$ 362
Diamond Peak Ski Resort - Service call		\$ 352		\$ 352
August 2022 Trash Service-Ski (08/01/22-08/31/22)			\$ 338	\$ 338
July 2022 Trash Service-Ski (07/01/22-07/31/22)			\$ 338	\$ 338
June 2022 Trash Service-Ski (06/01/22-06/30/22)		\$ 338		\$ 338
November 2022 Trash Service-Ski (11/01/22-11/30/22)			\$ 338	\$ 338
September 2022 Trash Service-Ski (09/01/22-09/30/22)			\$ 338	\$ 338
September 2022 Trash Service-Ski (10/01/22-10/31/22)			\$ 338	\$ 338
Travel reimbursement for attending ski California fall board meeting			\$ 337	\$ 337
CYLINDER RENT SUMMARY 03/20/2022 TO 04/20/2022 GID SKI		\$ 308		\$ 308
DP Ski grease trap collection	\$ 300			\$ 300
CYLINDER RENT SUMMARY 04/20/2022 TO 05/20/2022 GID SKI		\$ 299		\$ 299
CYLINDER RENT SUMMARY 02/20/2022 TO 03/20/2022 GID SKI		\$ 282		\$ 282
Nitrogen - Ski		\$ 282		\$ 282
CYLINDER RENT SUMMARY 01/20/2022 TO 02/20/2022 GID SKI		\$ 278		\$ 278
195 qty Child Ski Center - Name Bib, Yellow 51, Blue 144		\$ 260		\$ 260
CYLINDER RENT SUMMARY 05/20/2022 TO 06/20/2022 GID SKI		\$ 255		\$ 255
Reimb for cost of PSIA Alpine Ski Level 2 exam			\$ 250	\$ 250
Reimb. for cost of PSI Alpine Ski Level 2 Exam			\$ 250	\$ 250
Reimb. for cost of PSIA Alpine Ski Level 2 exam			\$ 250	\$ 250
SKIMMING RAKE			\$ 250	\$ 250
CYLINDER RENT SUMMARY 12/20/2020 TO 01/20/2021 GID SKI	\$ 239			\$ 239
CYLINDER RENT SUMMARY 01/20/2021 TO 02/20/2021 GID SKI	\$ 236			\$ 236
CYLINDER RENT SUMMARY 11/20/2020 TO 12/20/2020 GID SKI	\$ 230			\$ 230
Diamond Peak Skier Services (Sec) - Burglar Alarm Installation Parts	\$ 225			\$ 225
CYLINDER RENT SUMMARY 10/20/2022 TO 11/20/2022 GID SKI			\$ 222	\$ 222
CYLINDER RENT SUMMARY 02/20/2021 TO 03/20/2021 GID SKI	\$ 216			\$ 216
Monthly Services April 2022 - Ski		\$ 216		\$ 216
CYLINDER RENT SUMMARY 10/20/2020 TO 11/20/2020 GID SKI	\$ 211			\$ 211
Reimb for cost of PSIA Alpine Ski Level 1 exam			\$ 210	\$ 210
Monthly Services February 2022 - Ski		\$ 208		\$ 208
CYLINDER RENT SUMMARY 07/20/2020-08/20/2020 GID SKI	\$ 208			\$ 208
CYLINDER RENT SUMMARY 8/20/2020 TO 9/20/2020 GID SKI	\$ 208			\$ 208
CYLINDER RENT SUMMARY 06/20/2020-07/20/2020 GID SKI	\$ 202			\$ 202
Lifeguarding and Waterfront Skills, Adult and Pediatric First Aid/CPR/AED		\$ 200		\$ 200
Waterfront Skills / Lifegrd Rev & Waterfront Skill			\$ 192	\$ 192
Waterfront Skills and Lifeguarding			\$ 192	\$ 192
Sprinkler Test & Inspect - Diamond Peak Ski Resort - Main Lodge 1220 Ski Way -011790 09.01.2020-08.31.2021	\$ 191			\$ 191
System-SP-Wet Sprinkler - Ski Resort Ski/Admin			\$ 191	\$ 191
Diamond Peak Skier Svcs (Sec) service			\$ 190	\$ 190
Replaced battery in zone 10 which is door number two - Diamond Peak Skier Svcs		\$ 182		\$ 182
Shredding service for Admin 03/31,04/07, 04/14 Ski 03/24/21	\$ 179			\$ 179
CYLINDER RENT SUMMARY 10/20/2021 TO 11/20/2021 GID SKI	\$ 169			\$ 169
Overage 2023 Ski & Snowboard Report Cards			\$ 169	\$ 169
Dec 2022 Trash Service-Ski 12.01.22-12.15.22			\$ 168	\$ 168
CYLINDER RENT SUMMARY 03/20/2021 TO 04/20/2021 GID SKI	\$ 153			\$ 153
CYLINDER RENT SUMMARY 08/20/2021 TO 09/20/2021 GID SKI		\$ 151		\$ 151
May 2022 Trash Service-Ski (2-6 Yard Dumpster)		\$ 148		\$ 148
Shredding service for Admin 05/12/21, Ski 05/19/21 and Golf 05/19/21	\$ 146			\$ 146
Shredding service for Admin 07/07/21, Ski 07/14/21 and Golf 07/14/21		\$ 146		\$ 146
Shredding service for Admin 08/05/20, Ski 08/12/20 and Golf 08/12/20	\$ 146			\$ 146
Shredding Service for Admin 09/30/20, Ski 10/07/20, Golf 10/07/20	\$ 146			\$ 146
Shredding service for Admin 11/25/20, Ski 12/02/20 and Golf 12/02/20	\$ 146			\$ 146
CYLINDER RENT SUMMARY 09/20/2021 TO 10/20/2021 GID SKI		\$ 144		\$ 144
Shredding service for Admin 08/08/21 and 09/01/21 and Ski 09/08/21		\$ 144		\$ 144
Shredding service for Admin 10/27/21,11/24/21 and Ski 11/03/21		\$ 144		\$ 144
5240-300-000 8 EA 8 15.990 127.92 HONDA SNOW BLOWER SKID SHOE +F1	\$ 141			\$ 141
FILTER-OIL, BRACKET-SKID	\$ 139			\$ 139
Ski Job Fair Banner	\$ 130			\$ 130
Ski freight		\$ 130		\$ 130
Waterfront Skills	\$ 128			\$ 128

²⁰ Vendor names available upon request by management. Additionally, no direct observation is noted from this analysis.

Incline Village General Improvement District
Appendix 2 – Analysis Charts

Analysis of Disbursements with a Description Containing ‘Ski’ during the Scope Period (continued)²¹

Description	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Total Disbursements
Lifeguarding & Waterfnt Skills/Adult First Aid CPR			\$ 113	\$ 113
CYLINDER RENT SUMMARY 07/20/2021 TO 08/20/2021 GID SKI		\$ 112		\$ 112
Shredding service for Admin 02/17/21, Ski 02/03/21	\$ 109			\$ 109
Shredding service for Admin 04/13/22 and Ski 04/20/22		\$ 109		\$ 109
Shredding service for Admin 06/08/2022 and Ski 06/15/2022		\$ 109		\$ 109
CYLINDER RENT SUMMARY 05/20/2021 TO 06/20/2021 GID SKI	\$ 108			\$ 108
CYLINDER RENT SUMMARY 04/20/2021 TO 05/20/2021 GID SKI	\$ 104			\$ 104
CYLINDER RENT SUMMARY 06/20/2021 TO 07/20/2021 GID SKI		\$ 104		\$ 104
CYLINDER RENT SUMMARY 07/20/2022 TO 08/20/2022 GID SKI			\$ 104	\$ 104
CYLINDER RENT SUMMARY 08/20/2022 TO 09/20/2022 GID SKI			\$ 104	\$ 104
CYLINDER RENT SUMMARY 06/20/2022 TO 07/20/2022 GID SKI			\$ 101	\$ 101
CYLINDER RENT SUMMARY 09/20/2022 TO 10/20/2022 GID SKI			\$ 101	\$ 101
Permit # 287582 Inv 371733 DP Skier Serv			\$ 100	\$ 100
May 2021 Trash - Ski Patrol	\$ 91			\$ 91
Diamond Peak Ski Resort Routine Cleaning			\$ 90	\$ 90
Skid Auged , Trimmer Head	\$ 89			\$ 89
WHIT PP DP NET LEAF SKIMMER, WHIT PP PRO HD LEAF SKIMMER, 6-1/2 - 12 FT POOLT/SCOPE POLE		\$ 86		\$ 86
Dec 2022 Trash Service-Ski 11.16.22-11.30.22			\$ 79	\$ 79
May 2022 Trash Service-Ski (05/01/22-05/31/22)		\$ 75		\$ 75
Shredding service for Admin 02/16/22 and Ski 02/23/22		\$ 70		\$ 70
FASGUARD WHITE GRAIN GOATSKIN YELLOW P.S		\$ 58		\$ 58
August 2021 Trash Service-Ski		\$ 44		\$ 44
July 2021 Trash Service-Ski		\$ 44		\$ 44
K Reese Lifeguarding and Waterfront Skills			\$ 44	\$ 44
LG and Waterfront Skills			\$ 44	\$ 44
November 2021 Trash Service-Ski		\$ 44		\$ 44
October 2021 Trash Service-Ski		\$ 44		\$ 44
September 2021 Trash Service-Ski		\$ 44		\$ 44
June 2021 Trash Service-Ski	\$ 42			\$ 42
Shredding service for Ski on 02.23.22 remaining balance		\$ 39		\$ 39
Shipping Charges-Ski	\$ 31			\$ 31
Permit # 206755, Inv 380098 DP children's ski school			\$ 24	\$ 24
Permit # 287582 Diamond Peak Skier Services	\$ 24			\$ 24
Permit # 287582 Invoice #352209 (DP Skier Services)		\$ 24		\$ 24
Permit #287582 Diamond Peak Skier Serv Renewal			\$ 24	\$ 24
Cockroach/Rodent , Large Fly - Ski		\$ 17		\$ 17
Ski Shipping - late fee			\$ 11	\$ 11
Cleaning Dec Rec Ski			\$ -	\$ -
Credit for April 2021 Trash Service-Ski	\$ (110)			\$ (110)
Credit for Invoice # 114-10804132 Weekly Service 08/14/20-09/10/20 SKI BEA CH	\$ (241)			\$ (241)
Credit for Invoice # 114-10804135 Weekly Service 08/14/20-09/10/20 SKI BEA CH	\$ (241)			\$ (241)
Grand Total	\$ 616,706	\$ 746,469	\$ 734,363	\$ 2,097,538

²¹ Vendor names available upon request by management. Additionally, no direct observation is noted from this analysis.

Contracts Reviewed during the Scope Period²²

Project Number	Project Name
2524SS1010	Effluent Pipeline Project
4884BD2201	Recreation Center Expansion Project
2599SS2010	Effluent Pond Lining
3653BD1502	2015 Ski Area Master Plan Implementation - Phase 2 Snowflake Lodge and Activities
3469LI1805	Ski Way and Diamond Peak Parking Lot Reconstruction
3973LI1302	Incline Beach Facility Replacement
2299DI1401	Burnt Cedar Water Disinfection Plant Improvements
2299WS1705	Watermain Replacement - Crystal Peak Road
3972BD2101	Ski Beach Boat Ramp Improvement Project
2299WS1803	Watermain Replacement - Future
3970BD2601	Burnt Cedar Swimming Pool and Site Improvements
3241LI2001	Mountain Golf Cart Path Replacement - Phase II
2599SS1102	Water Resource Recovery Facility Improvements
4884LI1102	Recreation Center Parking Lot Reconstruction
3972LI1202	Pavement Reconstruction - Burnt Cedar Beach
4899FF1202	Rec Center Locker Room Improvements
3141LV1898	Championship Golf Course Electric Cart Fleet and GPS
2299WS1802	Watermain Replacement - Alder Avenue
3468RE0002	Replace Ski Rental Equipment
3141LI1202	Cart Path Replacement - Champ Course
1099BD1701	Administration Services Building
2599SS1203	Sewer Main Rehabilitation
2299WS1704	Watermain Replacement - Martis Peak Road
3141LI1201	Pavement Maintenance of Parking Lots - Champ Course & Chateau
3141GC1501	Maintenance Building Drainage, Wash Pad, and Pavement Improvements
2599DI1703	Sewer Pump Station #1 Improvements
2097LI1401	Pavement Maintenance, Utility Facilities
1213CO1703	District Wide PC, Laptops, Peripheral Equipment and Desk Top Printers
2599SS1103	Wetlands Effluent Disposal Facility Improvements

²² Observations 9, 18, 19, 20, 25, 29, 31, 36, and 37 are noted from this analysis.

Procurement Card Exceptions during the Scope Period²³

Employee	Number of Exceptions	Total Exceptions
A1	8	\$ 6,051
A2	1	\$ 594
A3	3	\$ 113
Grant Total	12	\$ 6,758

Scope Period	Number of Exceptions	Total Exceptions
Fiscal Year 2021	4	\$ 2,104
Fiscal Year 2022	4	\$ 1,268
Fiscal Year 2023	4	\$ 3,387
Grant Total	12	\$ 6,758

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²³ Observations 12, 13, 14, and 15 are noted from this analysis.

Green Fee Discount Percentages by Year during the Scope Period²⁴

Scope Period	Average Discount Percentage
Fiscal Year 2021	23.2%
Fiscal Year 2022	6.5%
Fiscal Year 2023	2.0%
Average	10.6%

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²⁴ Observation 10 is noted from this analysis.

Vermont Discount Percentages by Year and by Location during the Scope Period²⁵

Location	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Average Discount Percentage
Mountain Golf Course	21.4%	15.7%	34.8%	23.9%
Championship Golf Course	19.8%	16.6%	14.1%	16.8%
Incline Village Parks & Recreation	0.3%	0.8%	0.7%	0.6%
Tennis Center	0.4%	3.3%	5.0%	2.9%

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²⁵ Observation 32 is noted from this analysis.

Vermont Employees by Discount Percentages Greater than Board of Trustee Approval Percentage (20%) during the Scope Period²⁶

Employee	Average Discount Percentage in Fiscal Year 2021
B1	33.6%
B2	29.7%
B3	29.5%
B4	26.1%
B5	25.8%
B6	24.6%
B7	22.1%
B8	20.8%
B9	20.2%

Employee	Average Discount Percentage in Fiscal Year 2022
B6	36.3%
B10	32.2%
B11	30.1%
B12	30.0%
B13	27.9%
B14	25.4%
B15	23.7%
B16	21.5%

Employee	Average Discount Percentage in Fiscal Year 2023
B17	53.2%
B18	52.2%
B19	52.2%
B20	49.3%
B21	48.9%
B22	46.9%
B23	46.3%
B24	29.6%
B25	27.8%
B14	27.6%
B26	25.4%
B27	24.9%
B28	24.0%

²⁶ Observation 32 is noted from this analysis.

Expenses Related to Clothing Allowance Descriptions by Employee during the Scope Period²⁷

Exceeds Clothing Allowance
Eligible Employee

Employee	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Total
C1	\$ 412	\$ 631		\$ 1,043.11
C2	\$ 199	\$ 430	\$ 451	\$ 1,079.86
C3			\$ 422	\$ 422.07
C4			\$ 223	\$ 222.95
C5			\$ 1,356	\$ 1,356.35
C6			\$ 458	\$ 457.92
C7		\$ 7		\$ 6.50
C8			\$ 250	\$ 249.99
C9	\$ 539	\$ 190		\$ 729.15
C10	\$ 35		\$ 48	\$ 82.93
C11	\$ 269			\$ 269.43
C12		\$ 500	\$ 142	\$ 642.20
C13		\$ 370	\$ 298	\$ 667.79
C14	\$ 1,931	\$ 519	\$ 1,516	\$ 3,965.85
C15	\$ 202	\$ 135	\$ 180	\$ 516.85
C16	\$ 359	\$ 195		\$ 553.52
C17			\$ 837	\$ 836.50
C18	\$ 215	\$ 221		\$ 436.26
C19	\$ 150			\$ 149.95
C20		\$ 66	\$ 164	\$ 229.58
C21	\$ 404	\$ 210	\$ 374	\$ 988.49
C22			\$ 162	\$ 162.35
C23			\$ 588	\$ 587.62
C24		\$ 631		\$ 630.55
C25		\$ 35		\$ 34.98
C26	\$ 140	\$ 449		\$ 588.38
C27	\$ 136	\$ 350	\$ 536	\$ 1,022.76
C28		\$ 8,363		\$ 8,362.89
C29			\$ 870	\$ 870.15
C30			\$ 84	\$ 83.70
C31	\$ 1,231	\$ 873		\$ 2,104.45
C32	\$ 1,797	\$ 1,619	\$ 1,885	\$ 5,300.42
C33	\$ 642			\$ 642.30
C34	\$ 393	\$ 1,561	\$ 271	\$ 2,225.02
C35	\$ 1,356	\$ 1,493	\$ 1,374	\$ 4,223.39
C36	\$ 420	\$ 130		\$ 549.73
C37	\$ 21			\$ 20.77
C38		\$ 812	\$ 1,970	\$ 2,781.57
C39	\$ 834	\$ 9	\$ 376	\$ 1,219.14
C40	\$ 185			\$ 185.00
C41	\$ 1,077	\$ 3,932	\$ 1,000	\$ 6,008.75
C42			\$ 226	\$ 225.74
C43		\$ 153		\$ 152.99
C44	\$ 721	\$ 63	\$ 354	\$ 1,138.57
Grand Total	\$ 13,668	\$ 23,947	\$ 16,414	\$ 54,028.47

²⁷ Observation 33 is noted from this analysis.

IRS Website Findings for Specific Organizations Associated with IVGID²⁸

EIN #	Organization Name per IRS Website	A Deductibility Code	Filings Reporting on IRS Website	B Determination Letter	C Auto-Revocation List
27-0823168	Incline-Tahoe Parks and Recreation Vision Foundation Inc.	PC - Public Charity	2012-2017 990-N, 2019 990-EZ, 2020 990	N/A	N/A
88-0362053	The Parasol Tahoe Community Foundation Inc.	PC - Public Charity	2016-2021 990, 2021 990T	N/A	N/A
27-0448179	Incline Community Business Association	N/A	2009-2010, 2012-2013, 2016 990-N, 2021 990-O	D	E
88-0395694	Rotary Foundation of Incline Village	PC - Public Charity	2007-2022 990-N, 2020 990	N/A	N/A
86-0856640	Rotary International	N/A	None	N/A	F

- A** Per the IRS website, Publication 78 provides an organization's deductibility code, which provides the type of organization and the deductibility limitation associated with that organization type. Per the IRS website, users may rely on Publication 78 to determine the deductibility of their contributions.
- B** Per the IRS website, a Determination Letter is issued by the IRS if an organization meets the requirements for tax-exempt status under the Code section for which the organization applied.
- C** Per the IRS website, organization whose federal tax exempt status was automatically revoked for not filing a Form 990 return or notice for three consecutive years will appear on the Auto-Revocation List. Per the IRS website, just because an organization appears on this list, it does not mean the organization is currently revoked, as they may have been reinstated.
- D** This organization received a Determination Letter on 9/7/2009 and 11/5/2021 for a tax-exempt status under section 501(C)(6). Further, the Determination letter states if the organization does not file Form 990 or Form 990EZ for three consecutive years, the exempt status will be automatically revoked. Refer to Note **C**.
- E** We note per the website, the exemption type is 501(c)(6), the revocation date is 5/15/2020, and the exemption reinstatement date is 5/15/2020.
- F** We note per the website, the exemption type is 501(c)(4), the revocation date is 11/15/2010, and there is no exemption reinstatement date.

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²⁸ Observation 22 is noted from this analysis.