MINUTES
REGULAR MEETING OF MARCH 13, 2019
Incline Village General Improvement District

The regular meeting of the Board of Trustees of the Incline Village General Improvement District was called to order by Chairwoman Kendra Wong on Wednesday, March 13, 2019 at 6:00 p.m. at the Chateau located at 955 Fairway Boulevard, Incline Village, Nevada.

A. **PLEDGE OF ALLEGIANCE***

The pledge of allegiance was recited.

B. **ROLL CALL OF THE IVGID BOARD OF TRUSTEES***

On roll call, present were Trustees Peter Morris (joined the meeting at 6:04 p.m.), Matthew Dent, Tim Callicrate (on the telephone), Phil Horan, and Kendra Wong.

Also present were District Staff Members Director of Finance Gerry Eick, Director of Parks and Recreation Indra Winquest, Director of Public Works Joe Pomroy, Director of Human Resources Dee Carey, Diamond Peak Ski Resort General Manager Mike Bandelin, Principal Engineer Charley Miller, and Communications Coordinator Misty Moga.

Members of the public present were Pete Todoroff, Denise Cash, Steve Dolan, Claudia Andersen, Linda Newman, Wayne Ford, Mike Abel, Eric Severance, Aaron Katz, Judith Miller, Jack Dalton, Eric Severance, and others.

*(34 individuals in attendance at the start of the meeting which includes Trustees, Staff, and members of the public.)*

C. **PUBLIC COMMENTS***

Linda Newman read from a prepared statement which is attached hereto.

Aaron Katz said he has three written statements and that he picked up the Tahoe Prosperity Center brochure and this organization has nothing to do with IVGID so why are we taking up valuable agenda space for stuff like this and ignoring legitimate items. Mr. Katz said that he has been asking for months and months for space on the agenda and the Board won't give it to him yet they are giving space to stuff like this – please don't do this. He has been trying to get utility bills and that stupid him was under the impression they were getting charged ten times the CAF
yet most are getting charged the CAF at three times which is less than what a residential customer is charged. He is looking for fairness and equity and by multiplying only by 5.3 times for Diamond Peak when they are using 22 million gallons when he is using far less, it is just inappropriate. If the Board cared, it would make it equitable. For one month’s usage, for nine meters, they were under charged by $421,000, compared to what he would be charged and this is just for water and not for sewer. This is subsidizing these facilities but not only with the other stuff, but utilities, which violates every tenet in the United States so please study this and make a change.

Mike Abel read from a written statement which is attached hereto.

Margaret Martini read from a written statement which is attached hereto.

D. **APPROVAL OF AGENDA (for possible action)**

Chairwoman Wong asked for changes to the agenda. Trustee Dent asked that the budget item (General Business Item G.4.) be moved up. Chairwoman Wong said that she thought the Board could knock everything else out however if the Board is agreeable, we can move it up to General Business Item 2 from General Business Item 4. The Board agreed to this change and the agenda was approved with this change.

E. **REPORTS TO THE BOARD OF TRUSTEES**

E.1. **Verbal presentation by representative(s) from Tahoe Prosperity Center (TPC)**

Executive Director Heidi Hill Drum gave the presentation which was included in the Board packet.

Chairwoman Wong said that there are issues that IVGiD is facing that we don’t have any control over as we are a GID with limited scope who knows what we have been charged with doing. It is great to know that there is a partner who is working on this since we can’t directly influence these items.

Trustee Morris said thank you for this presentation and noted that you are doing tremendous work; how are you funded and do you have enough funds. Ms. Hill Drum said that they get some governmental funding, private funding, being within the Parasol building helps, and then there are the governmental grants. They have a small staff and they can always use more funding as
they are trying to work in a space where no one else can. Sometimes, it is easier for them to work on items like affordable housing. Trustee Morris followed up by stating that TPC is a 501(c)3 organization so are any donations tax deductible?

Trustee Callicrate asked what your current fund balance is, do you have an endowment fund, seed money, etc., and what is your current funding level.

Ms. Hill Drum said that donations are generally tax deductible however that is up to the donor to confirm with their tax professional. The organization’s annual budget is around $250,000 and they have a small endowment fund that they are hoping to grow in the future.

F. **CONSENT CALENDAR (for possible action)**

F.1. Grant of Easement to Southwest Gas District Property APN: 127-280-01 (Incline Beach) for the installation and maintenance of a natural gas pipeline or pipelines and appurtenances (Requesting Staff Member: Director of Public Works Joe Pomroy)

Trustee Horan made a motion to approve the Consent Calendar. Trustee Dent seconded the motion. Chairwoman Wong asked if there were any comments, receiving none, she called the question and the motion was passed unanimously.

G. **GENERAL BUSINESS (for possible action)**

G.1. Review, discuss, and possibly provide input and guidance on legislative matters for the 2019 State of Nevada Legislative Session following a verbal presentation on legislative matters provided by Tri-Strategies representative(s)

Victor Salcido, Tri-Strategies, said that the Board has a written presentation before them and then he provided a quick overview of the Legislative Session to date.

Trustee Dent asked if we could get this report included in the packet as he hasn’t looked at it. District General Manager Pinkerton said that this is the same summary that is sent out to you on Friday and that he doesn’t think there have been any changes. It wasn’t included in the packet because Staff wanted the Board to have the latest information presented to you.
Trustee Morris said that it is good to have them in the packet however things can move fairly quickly in the Legislature. District General Manager Pinkerton said that there will probably be a deluge of bills over the weekend and that we hope to have more information on March 28.

Trustee Horan asked how fast are these bills going to move through their process. Mr. Salcido said it varies on the bill and that it is up to the Chairman of the committee and that the Chair has the ability to present at the next meeting or sit on it for months on end depending on what they want to do. On some bills we have already seen, if there is a sense of urgency, then they can move it fairly quickly. That is unlikely and a rare occurrence. Trustee Horan asked if they hold public hearings and what is that time frame. Mr. Salcido said that the State Legislature has exempted themselves from the Open Meeting Law requirements so they can add something to their agendas quickly however the process is always the same – referred to that committee, there is a public hearing, and then it goes over to the other house and it goes through the same system. Trustee Horan asked how the meetings were noticed. Mr. Salcido said they are posted on the Legislative website and that there are standing committee meetings which are usually in compliance with the Open Meeting Law but they don’t have to be.

Chairwoman Wong asked if it would be possible to get an update on where these bills are or do you have an idea. Mr. Salcido said when the bill has a number that means it has been introduced and referred to committee.

Trustee Morris said when the Chair of the committee calls for comments, is there a time limit for speaking and are people/individuals permitted to present exhibits, etc. Mr. Salcido answered that in most cases, the Chairman will indicate a time limit but that they do have a little bit more discretion. There is a separate category for speaking in favor or speaking opposed to a bill which is different from plain public comment and no time limit. Trustee Morris asked about submission of exhibits. Mr. Salcido said that they are presented to the Secretary when you walk in.

Trustee Horan said that Assembly Bill 70, which is about the Open Meeting Law, is interesting. If you were going to give testimony, and given our experience and who we might expect might be providing testimony, how do we counteract that factually as people are entitled to their opinions. We have been criticized on our land sale as being illegal however it wasn’t an illegal action and the Washoe County District Attorney said it was legal but yet it
continues to be brought up. He hates to see IVGID be criticized where there is factually data against this so how do we do that. He thinks we should do it as a Board because we need to stand up for what we did wrong and what we didn’t do wrong. Given that you have been given the direction to not do anything, you are operating on a pretty short string. Mr. Salcido said that they haven’t gotten any direction about lobbying. Trustee Horan said that when facts are presented and we can prove they are not right, how do we get the facts right. Mr. Salcido said that one thing is the advantage of having Tri-Strategies representing the District. If there are issues that are factually incorrect and if we have your authority to do this, we can correct something that is factually incorrect and go on the record doing so. Trustee Horan said he doesn’t know how we do that; what do we need to do.

Trustee Dent said are you asking for the authority to have them argue against someone’s public comment. Trustee Horan said that he knows, as an example, that statements have been made that the lot sales were done illegally. The Washoe County District Attorney said we complied with the law yet people are still saying we did it illegally. The District Attorney said it was legal and we should be able to say that. Facts are being presented that aren’t right so we need them to correct that and not give an opinion.

District General Counsel Jason Guinasso said that during the last Legislative session there was a person who gave testimony that represented was exactly the opposite therefore to have the ability to correct the record and to have the opportunity to testify in the neutral is something that this Board could make a motion to give the lobbyist latitude to correct statements that are factually incorrect and do so in the neutral position.

Trustee Callicrate said he understands Trustee Horan’s concern and he certainly wants the facts out there but that he thinks if we give broad discretion than that keeps the Board out of the loop when we should be apprised. This is part of the process as people have the right to express their opinion. We have been the brute of attacks thus he would not be in favor of doing this as we have been admonished by the Attorney General so he doesn’t want to give this latitude to our lobbyists and while he appreciates this being brought to the Board, if someone makes a comment, we can address it then. He doesn’t think that the Board has to have a motion as he would like to be appraised of it before hand.

Trustee Morris said he understands the concerns on both sides and having the ability of knowing that we have a history, as it occurred last time, and on
what is potentially on here, having the ability, in real time, that records the fact and finding some way to do that is something we should do. Does this agenda item allows us to have a motion on this? Chairwoman Wong said yes. Trustee Morris said having factual correct information entered into the record is important to get on the record.

Trustee Horan asked if we know what is in the bill right now or how the shape of the bill can change. Mr. Salcido said many, if not most, of the bills undergo change quite a bit. Trustee Horan said he understands Trustee Callicrate’s concerns and that his concern is not to grant wide discretion rather it is verifiable facts is what he is talking about. He is also talking about something much more defined and not talking about taking anything away from the Board or lobbying for or against but something narrow and neutral and is a very obvious fact. It is why he uses the land item because still people say it was illegal and it wasn’t and that is a fact. He feels very strongly that there is a responsibility to protect the District and put us in the best possible position. He is prepared to make some type of motion in that neutral position.

Chairwoman Wong said she would like to take a step back and ask the Board to think about why we hired Tri-Strategies. Two years ago, there were bills that were brought up and we didn’t have any mechanisms to respond. A year and a half ago, in preparation for the next Legislative session, we said we need to have someone in Carson City helping us along and that is what Tri-Strategies is here for. She would propose that if Tri-Strategies feels like they need to respond that they coordinate with the District General Manager who in turn sends the Board a report such that here is the information that was presented and the factually information that we gave so we are apprised of what is communicated.

Trustee Horan asked if it was understood that in those committee processes when you are neutral that you are trying to do a factually thing. Mr. Salcido said when testifying in the neutral, we get on the record saying X or Y, and that the opinion is on the record without support or fighting. Trustee Horan said opinion. Mr. Salcido corrected that it is an opportunity to get on the record without advocating for or against the bill.

Trustee Morris thanked Mr. Salcido for that clarity and that they won’t represent opinions unless they are already pre-determined however talking about the facts is okay.
Trustee Horan said he is not looking for a back and forth rather just a statement. Mr. Salcido said he understands; no back and forth.

Trustee Morris said if something comes up, in real time, you and your partners are talking to the General Manager, who is always available, and you will say this came up, what the fact is. Mr. Salcido said he understands.

Trustee Dent said he has zero experience with the Legislative process and asked if other municipalities listen to public comments and dispute facts. Mr. Salcido said yes as most municipalities do have someone on staff or hire outside lobbyists and yes, he has seen, on multiple occasions, them trying to correct the record in their jurisdiction.

Trustee Horan made a motion that the Board ask Tri-Strategies to listen to testimony either for or against a particular bill and if in fact they believe that there might be a factual inaccuracy by either side, they review it with the District General Manager and the District General Manager will provide them with the facts that are for or against and that the District General Manager will provide the Board with information on that event.

Trustee Morris asked that it be added to the motion to confer with the District General Manager and that the District General Manager will provide the facts to Tri-Strategies that Tri-Strategies would be able to present in testimony.

Trustee Horan agreed with this addition and that it be in a neutral position.

Trustee Horan restated the motion that the Board ask Tri-Strategies to listen to testimony either for or against a particular bill and if in fact they believe that there might be a factual inaccuracy by either side, Tri-Strategies will confer with the District General Manager and the District General Manager will provide Tri-Strategies with the facts that they would be able to present in testimony in a neutral position and that the District General Manager will provide the Board with information on that event. Trustee Morris seconded the motion.
Trustee Dent asked what budget is putting towards this. Chairwoman Wong asked if this was a part of the retainer agreement; Mr. Salcido said yes, it is part of the retainer you currently pay.

Trustee Callicrate said his concern is the one he mentioned earlier and that he is being consistent with not voting in the positive as this needs to come to the Board first at all times so he is voting against this motion.

Trustee Dent said he agreed with Trustee Callicrate and that we hired Tri-Strategies to represent the Board. We can always call an emergency meeting and that this is delegating to the District General Manager so he too will be voting against this motion.

Trustee Morris said it is not humanly possible to call an emergency meeting if there is testimony going on at three o’clock and that something has to be done in the moment so he will be supporting this motion.

Trustee Dent asked if there would be another time to correct the record. Mr. Salcido said that a bill has to go through both houses and that generally testimony is a one shot deal before it moves over to the other house. Trustee Dent asked about the timeline. Mr. Salcido said that is at the discretion of the Chair and that it could be the next day or months. Trustee Dent said so it is humanly possible to have a Board meeting. Mr. Salcido said it could happen within the three day noticing period for your meeting.

Trustee Horan said he recognizes and acknowledges the opinions of Trustees Dent and Callicrate and that we are limited enough therefore he will be supporting this motion as it is the right thing to do for our community.

Hearing no further comments, Chairwoman Wong called the question; Trustees Callicrate and Dent voted in opposition and Trustees Horan, Morris, and Wong voted in favor – the motion was passed.

G.2. Review, discuss, and possibly provide input to the Overview of 2018/2019 Operating Budget Presentation (Requesting Staff Member: District General Manager Steve Pinkerton) (moved to General Business Item G.2. from General Business Item G.4.)

Order of Presentation:
Diamond Peak Ski Resort
Minutes
Meeting of March 13, 2019
Page 9

Golf Courses at Incline Village (Championship and Mountain) Facilities
Marketing
Beaches
Recreation Programming
Community Services Administration
Tennis
Parks
General Fund
Internal Services
Utilities

District General Manager Pinkerton gave a verbal overview/summary.

Trustee Horan said on agenda packet page 106, under General Fund, Human Resources, these are the expenses of hiring, etc. and asked if health and wellness is the cost. District General Manager Pinkerton replied it is a benefit as health and wellness is a program.

Trustee Callicrate asked where Marketing is. District General Manager Pinkerton replied that Marketing is a sub-element of all of recreation and does a little in the rest of the District, it is not in one place, housed at Diamond Peak and coordinated a lot with communication.

Trustee Callicrate said Staff should have put Marketing in somewhere as it is one million dollars or more so it should be included at some point or either split or put someplace and with an asterisk because without that it is a big chunk of money without a home. District General Manager Pinkerton responded that it is put it in multiple locations.

Trustee Horan asked if Staff should be able to identify Marketing in multiple places. District General Manager Pinkerton replied that the Board will get the Marketing presentation tonight.

Trustee Dent said he noticed down at the bottom, for golf courses, maintenance is only for Mountain or is that a typo. District General Manager Pinkerton said that is a typo.

Trustee Callicrate said on agenda packet page 107, there is an asterisk by a bunch of different items and the same thing happens on agenda packet page 108. Years back, the Senior Team was the Senior Team and Legal
Counsel was never considered a member of the Senior Team. On agenda packet page 108, the bulk of Marketing, the Marketing Director, is under the Director of Golf and Food and Beverage is under the Director of Golf. He is a little confused by this direction as it is drastically changing the scope from the past. The Marketing Director probably has the bulk of his work under Diamond Peak with the rest split throughout the District. Food and Beverage should be separate. The situation with the Attorney is at the direction of the Board so he is a little concerned with the strict delineations without discussion however he is sure that we will have some spirited discussions. District General Manager Pinkerton replied that District Legal Counsel has been a key part of the Senior Team for the past four years and we are restructuring Marketing and Food & Beverage. Dollars will be spent in Ski, and we have a Diamond Peak General Manager that is more focused on operations so we are bringing in a Director of Golf that has a skill set in Marketing thus we felt this was the best reporting structure. Majority is related to golf operations and across the country this is happening. We have Food & Beverage working more closely with golf while trying to keep it lean and mean and presently part of the year they are reporting to Ski and the other part they are reporting to Golf so we thought it cleaner to report to Golf.

Trustee Callicrate said if it is approved, will Food & Beverage have a separate listing of costs and expenses. He commends Staff for doing a phenomenal job however he would like to have those numbers to assess them and how that directly impacts the golf courses and Aspen Grove as we need to be very clear about that. District General Manager Pinkerton responded that the budget for Facilities has never included Food & Beverage as it has always been included in Golf and Ski however Staff has always provide a breakout for Food & Beverage for that month. One of the changes we are going to make, is that all Food & Beverage banquet will be included in Golf.

Trustee Callicrate said so you are going to include catering, as a separate category, versus regular food and beverage at the Grille and Ski - very strictly delineated. District General Manager Pinkerton answered correct, we do track it that way.

Chairwoman Wong called for a break at 7:30 p.m.; the Board reconvened at 7:40 p.m.

**Diamond Peak Ski Resort**
Trustee Morris said that he really likes having the ready to serve charts, would it be a challenge to have the ready to serve charts from last year. District General Manager Pinkerton responded sure, we can get those for you.

Trustee Dent said that Food & Beverage is forecasting a 16% increase. Diamond Peak General Manager Bandelin said we are forecasting increased revenues and decreased costs however you might be pointing out a slight error. District General Manager Pinkerton added that banquet and events have a little lower margin. Trustee Dent said that the budgeted number for 2018/2019 is low.

Chairwoman Wong said at the bottom of agenda packet page 112, were able to hire everyone you intended to. Diamond Peak General Manager Bandelin answered no. We have a high aspiration of service levels but we have not been able to run all six lifts as planned. Sometimes you have to make a decision and when we didn’t have enough Staff, he had to make decisions to not provide service levels he wanted to. That’s why he keeps talking about alignment of ourselves with other resorts with wages as his top item is about recruitment and housing. One area that hurts quite a bit is within our ski schools as this is an area where we are focusing on our yield. Inventory is lower than where we want it to be to provide service to our customer.

Chairwoman Wong asked if it is a wage issue or general availability of staff or potential people or something totally different. Diamond Peak General Manager Bandelin said it is my opinion is it is not a wage issue rather it has to do with the workforce. We work hard on retention. Within our ski school, one only gets paid when you work thus it is his hunch that individual has a different viewpoint. It is really safe to say that part of the reason ski resorts in the country, that have the infrastructure, are doing summer operations is to retain these personnel which helps a lot. We are struggling with hiring J1’s. We currently have 22 of them but they are leaving at the end of this week so the service levels are going to go down as we can’t offer the levels without them. There is not a pool of candidates to do what we are trying to do.

Trustee Morris said on agenda packet page 116, love that you are tracking all the data, with that correction on the net revenue, it went down a chunk so what drove it down. Diamond Peak General Manager Bandelin said look at our sources and uses page, look at net revenue; expense minus the revenue
per skier visit. Targets are going to be a little different and remember in 2017/2018, we had over 120,000 skier visits, we are planned at 110,000 skier visits. District General Pinkarton added that we always budget conservatively.

Trustee Morris asked what is this season’s target/current new number. Diamond Peak General Manager Bandelin answered that didn’t include the extended date and we budget conservatively and do so with each season because in 2014/2015, we didn’t even make it to the end March. In 2015/2016, we went an extra thirty seven days. District General Manager Pinkerton added that with this season’s lighting strikes and closures, we will be closer to a budgeted season.

Trustee Callicrate said thanks for the season as you are killing it. What is considered, for daily visits on the mountain, the number where everyone can enjoy themselves? Diamond Peak General Manager Bandelin said it is about 2,540 is the comfortable carrying capacity. Trail density is okay, parking is taxed, facilities are taxed, we are 770 dining seats light, and the strategy is to provide more revenues to pay for these opportunities to carry these capacities however we do need a couple of the 3,000 days to help with revenue. District General Manager Pinkerton added that based on the feedback received, we challenged Ski to make the same revenue and stay within our carrying capacity, not exceed it, but make the same revenue. The goal is to create a better experience for the skiers while meeting the challenge and looking at all the different strategies. We want to maximize the experience while covering the cost of operations.

Trustee Callicrate asked what would be the ideal number of people, covered from top to bottom. Put a cap on with coverage, metric we can use or that you are already using, when it is a mad house. And note, he is asking the questions like he does every year. Diamond Peak General Manager Bandelin said we feel you need a handful of good days of 2,500 to 3,000 to cover the expenses and capture those through the holiday season and we will be able to report out at the end of the season.

Trustee Morris said he compliments you and your team on running an incredible operation and the way you are answering questions, well done.

Chairwoman Wong added her thanks.

**Golf Courses at Incline Village (Championship and Mountain)**
Trustee Callicrate said on agenda packet pg. 118, 38.5 full time equivalents (FTE), over $57,000 per employee – we need a better accounting on part time, etc. and breakdown of what they do. Seems like a high number. District General Manager Pinkerton said it is equivalent to last year and Staff can pull up last year’s budget; remember Food & Beverage is included in there.

Chairwoman Wong said don’t we get a more detailed budget later in this process. District General Manager Pinkerton said we are not seeing any big changes to golf, steady state on FTEs.

Trustee Callicrate said on agenda packet pages 120 and 121, with Food & Beverage, and he brought it up earlier, catering/Food & Beverage is $1.1 to $1.2 million dollars which is a sizeable amount so we should have a report with more pointed expenses as it is a huge number that we should be celebrating and letting the community know instead of getting lost in the fray. We need to let people know that we have an awesome operation whilst paying a little bit more attention to that.

Trustee Callicrate asked if we are going to do that promotion for the punch cards at the Mountain Golf Course as that was a sizeable amount of revenue so are we going to do that again, is it in limbo, or what decision has been made. District General Manager Pinkerton said at the meeting in April we will discuss that.

Chairwoman Wong asked about mid-May opening - how reasonable does this look or does that need to be adjusted. Acting Director of Golf Kyle Thornberg said Staff will know a little more by the end of March.

Chairwoman Wong asked if there are any opportunities to adjust the second half of the season. District General Pinkerton said we had different circumstances when we had the rain as the weather causes a rough start and end. We try to budget to the median on those things and for this year’s budget, we are probably okay because of October. The other thing worth analyzing is the work done at the Mountain Golf Course in mid-September. Acting Director of Golf Thornberg added that Staff did a lot of pre-work with drainage so we hope to see that pay off.

Facilities
Trustee Dent asked what is the reasoning Food & Beverage isn't in Facilities. District General Manager Pinkerton said Facilities is the physical building itself and Food & Beverage has never been part of this budget.

Trustee Dent said why not make it part of it as it seems like I have to go over here (in the budget) so why not just make it really clear and this is where it is. It appears to be doing well, so show it, as it is not certain because it is split up. District General Manager Pinkerton said that the goal is to give three and four year looks thus we hesitate to change it to try and have something that is comparable. One can go into opengov and do specialized reports. The more you change the budget, the harder it is do comparisons. We can look at different components, we can break those things out, easier to look from year to year by staying consistent.

Trustee Dent said we have a sheet just for Marketing so can we have a sheet just for Food & Beverage and facilities – all those costs are in the venues. District General Manager Pinkerton said absolutely, we can generate something in opengov.

Trustee Callicrate said that Facilities is knocking it out of the park and they are generating a huge chunk of income for the District so we need to do a better of job showcasing their huge success in the District. They are to be commended as they are doing a tremendous job with the amount of revenue you are bringing it to Golf and Chateau. Don’t think we are showcasing enough of what you are doing.

Chairwoman Wong called for a break at 8:48 p.m.; the Board reconvened at 8:57 p.m.

District General Manager Pinkerton said that during the break our Controller advised him that she has added about eight more saved views for you to take a look at in opengov.

**Marketing**

Trustee Morris said on the photography and the like, is that .3 FTE increase and just want to confirm that when someone hires us for a wedding, they can bring in their own photographer. Marketing Manager Paul Raymore – said this is not a service sold to customer, more of an in-house function to photograph items to promote the venue, event, etc.
Trustee Morris said so you have seen that need because for us to get a local resource it is more impossible and more expensive so this allows us to control our own destiny. Marketing Manager Raymore answered that we do utilize freelancers and those costs are expensive at about $100 to $200 an hour. We would like to have the ability to bring this in house which will in turn save quite a bit and allow us to react quickly because sometimes to capture that moment is priceless.

Trustee Horan asked if this was expense neutral. Marketing Manager Raymore said that he expects it to be as it may save us money as video becomes more important. Trustee Horan said so right now we are spending money on outside contractors. Marketing Manager Raymore said yes and that this will eliminate some but will keep things like drone work. Trustee Horan said so this will be close to expense neutral. Marketing Manager Raymore said that remains to be seen but it will certainly help with allotting those dollars in other ways. Trustee Horan said so it is additional and not replacing what we are doing with contractors. Marketing Manager Raymore said from an expense perspective, no, shifting to other outside contractors. Trustee Horan said so if you are shifting the expense to something else, then you will be expense neutral on photography by replacing what we are spending on contractors with in house. Marketing Manager Raymore said not quite. Trustee Horan asked so where are you forecasting those other dollars. Marketing Manager Raymore said other expenses are going up such as Facebook. Trustee Horan said and what about the expense of in house photographers. Marketing Manager Raymore said it would allow us to do more.

Trustee Callicrate said that this is about to be an awkward moment that is not meant to be personal; broader philosophical question - who are we marketing to. While he appreciates the effort to build up a library, we will be spending over one million dollars per year. Seventy percent is spent at Diamond Peak and with big snow years, this brings a lot of people and when we have a bad year, it doesn’t bring a lot of people. The community wants to know who are we marketing to and who doesn’t know what we have which then becomes a catch 22. This is a situation that we need to have a broader discussion on as we are spending a lot of money to build up our facilities. He is not doubting your job but he has a fundamental difference to that of our District General Manager. Trustee Callicrate continued that he is not pro expanding the Marketing Department and that this is not about the individuals. This is spending a lot of money that perhaps we need to repurpose to other areas when we can use it better. District General
Manager Pinkerton said that Marketing Manager Raymore will address in rest of his presentation. Marketing Manager Raymore said that he will get into the return on investment at a high level and that Marketing is not at a million dollars yet but if you want to give that to him, he will take it.

Trustee Dent said as visitors decrease please explain value versus targets. Marketing Manager Raymore said value is actual. District General Manager Pinkerton added that the Director of Parks and Recreation will address the counting.

Trustee Callicrate said golf is confusing. District General Pinkerton said that the metric is not for golf, rather for the fiscal year, and that the golf measure is for calendar year. Trustee Callicrate said he is not a mind reader and that this needs to be spelled out for everyone. The same thing on agenda packet page 140 – it needs an explanation regarding calendar year versus fiscal year. It is rather confusing at the first look so we need to be more direct. Marketing Manager Raymore said he apologizes for not including that note and will do so going forward.

Trustee Horan asked if there are breakage numbers in the actuals and is that incorporated into agenda packet page 134. Marketing Manager Raymore said that the numbers on agenda packet page 134 are slightly inflated. District General Manager Pinkerton said that the answer is yes.

Trustee Dent asked for a definition of digital ads, not social media. Marketing Manager Raymore said some of it is online banner ads to someone who visits our website. Trustee Dent said for social media, we don’t boost. Marketing Manager Raymore said we are paying to boost on Facebook and Instagram. Digital ads are an umbrella that social media is under.

Trustee Callicrate said that skier visits are by word of mouth and is a topic that has been coming up for years, etc. If one goes back in the historical records, Ski has been relevantly flat. We have spent a good portion on marketing to current, and he has to bring this up, as he thinks there is an opportunity to utilize this money in a direct subsidy for golf; this is just a question for the Board to consider. Great presentation but we have a philosophical difference on the marketing budget. District General Manager Pinkerton said we have been significantly increasing the revenue per skier and marketing plays a huge role. If skier visits were solely based on weather, other resorts wouldn’t be spending money on marketing. It is a best practice and in our talks with other ski resorts, there are fourteen in close proximity,
if you don’t advertise they will forget about you. This is not just about the visitor but rather it is about attracting the visitors who will pay the top rates. 89% of skiers are coming from the outside and it is critical to be part of the marketplace. He has yet to see a case study where someone did better by not marketing but it is easy to find a case study where it is reduced. The challenge is when we get into this discussion all the time, is it is a balancing act - provide the experience for residents at lowest cost while not taking advantage of that high paying customer. Trustee Callicrate said regarding all the other ski resorts, to compare a government to private entities where we can subsidize or not subsidize as we do that on all our venues. He knows we have a different viewpoint, everybody knows Diamond Peak is a great value, etc. but we put a lot of money in marketing and what are our ROI’s. We are subsidizing golf and Diamond Peak has remained flat. Trustee Callicrate concluded by saying he doesn’t want to belabor this anymore.

Trustee Morris said it is unfortunate we are not able to convince Trustee Callicrate as everybody knows we are the premier resort and the reason they know that is because we tell them, show them, and spend a little money to let them know and the ROI is fantastic. In comparison to the budget, what we spend to what we get back is that we can offer $35 lift tickets to our locals which is outstanding. We are doing really very well as when revenue generally goes up, we reap huge sums from ski hill in order to provide so many other great benefits. You are doing a great job so long may you continue.

Chairwoman Wong said that she sees Golf and Ski as very different venues. At Golf, we have limited tee times but we can put up to 3,000 skiers on the hill and can probably push it. We have, on a regular basis, excess capacity so we do want to drive people to the mountain versus you can’t put more tee times on the tee sheet as you are limited due to play. We have also hit a sweet spot in pricing in Golf as well as maintenance which is the biggest difference. Yes, we keep pricing the marketing dollars where we have excess capacity and Diamond Peak does end up subsidizing the rest of our venues. Add on top of the fact, yes, our golf courses and Diamond Peak are owned by a government entity however we compete with all the ski resorts and all the other golf courses and we have to compete in those markets. We can’t say we are not going to put money in there.

Trustee Callicrate said he understands that and when you get more people ski at what level do you do that with limited facilities. We have phenomenal
facilities, have a unique situation, not disparaging anyone, but he does have concerns that we are spending money in that area.

**Beaches**

Trustee Horan asked when was the last time we increased the beach entrance fee. Director of Parks and Recreation Indra Winquest said we did increase the kids’ fee four or five years ago. Trustee Horan asked if Staff would speak to the decrease about punch cards utilization. Director of Parks and Recreation Winquest said he will get into that topic with Community Services Administration and stated that the utilization has increased significantly. Trustee Horan said he wanted to reiterate again that the beaches are our most important venue for experience thus we need to have more feet on the ground and do it smartly. He clearly supports making the experience better for our guests as being very important and having someone down there full time is great. Director of Parks and Recreation Winquest said Staff is making sure our guests are safe is what he is working on.

Chairwoman Wong asked about the eight thousand dollars for security. Director of Parks and Recreation Winquest said that equals three hundred more hours for peak times so he will double check that number. Trustee Morris said we are being charged twenty seven dollars per hour; Director of Parks and Recreation Winquest said yes, that is correct.

Trustee Callicrate said, referencing agenda packet pages 147 and 148, are you handing out numbers, if so, he doesn’t have a copy of. Director of Parks and Recreation Winquest said that this narrative is providing additional details. Trustee Callicrate said kudos on the lifeguards and that bonus and the work you have done to keep them on as that is critically important.

**Recreation Programming**

Trustee Morris said, referencing agenda packet page 151, we have 325,000 visitors and whilst he hasn’t added the numbers below that, those are the users of the recreation component. Director of Parks and Recreation Winquest said yes, that would be accurate.

Chairwoman Wong said is this double counting or do you deduct. Director of Parks and Recreation Winquest said no, we are not double counting.
Trustee Dent said for the Recreation Center and referencing agenda packet page 151, what about the visitor that comes in the doors but doesn't go elsewhere. Director of Parks and Recreation Winquest said those numbers do include anyone that scans in, pays the daily fee, and includes people who uses the pool. Trustee Dent said so you are double counting. Director of Parks and Recreation Winquest said there is the swim team, Incline High School usage, of the pool and that usage is not members.

Trustee Morris said it is an interesting statistic - 325,000 people will come through the front doors and 120,000 will go downstairs. Director of Parks and Recreation Winquest said no, that is for programming and most of that doesn't happen at the Recreation Center. Trustee Morris said he is interested to see of the number of that come through front doors and number that have gone downstairs. Director of Parks and Recreation Winquest said he thinks he can get that number. He then drew attention to the 250,000 number and said he estimates that 75,000 visits would not be a member or paying daily fee and an example would be spectators to youth basketball.

Trustee Callicrate said in doing the math, that is a lot of people at the Recreation Center. If we are able to get a more adequate number of people and who is coming in and where they are going, that is an opportunity to drill that out. Youth and family programs have gone down – is that because of the Boys and Girls Club picking that up. Director of Parks and Recreation Winquest said our software can't discriminate what our members are using but moving forward he can break that down further. Trustee Callicrate said that this is an opportunity to say how many people are using the facilities for recreation, here is how many going to recreation counter, etc. which allows us to allocate the dollars better. Wondering why so low on youth and family programming. Director of Parks and Recreation Winquest said yes, it is as a result of Boys and Girls Club. We transferred before and after school programs to the Boys and Girls Club and we are working on them taking on EPIC Camp, at least a predominate role. Trustee Callicrate said thanks and congratulations on doing that.

Trustee Horan said he is in the elementary school six or seven times per month and it is incredible the amount of kids that are there and this is an incredible asset to the community. Director of Parks and Recreation Winquest said to remember that all came from the Dave and Cheryl Duffield Foundation and their very generous contribution; this is one of the best partnerships that IVGID has.
Community Services Administration

Trustee Callicate asked, referencing agenda packet page 156, why the charges for services are in the negative - what is that about? Director of Parks and Recreation Winquest said that is all related to punch cards and that he will go through that in the budget items of note. Trustee Callicate asked why defensible space is in here. District General Manager Pinkerton said NLTFPD does two hundred thousand dollars in defensible space work and half is charged to Utilities and half to Recreation. Trustee Callicate said that there are no trees to cut down at the Recreation Center and asked if there was another way to put it in to the Recreation Center as this is a little concerning. District General Manager Pinkerton said that this is the overall budget for Community Services. Director of Parks and Recreation Winquest said that there is nothing for the Recreation Center but this is the most applicable spot to allocate this item.

Trustee Callicate asked if thirty percent is industry standard or what we need to do to keep people. Director of Parks and Recreation Winquest said it is an industry standard and that the focus is on how much of their time our Recreation counter personnel spend to do this administration.

Trustee Morris said, referencing agenda packet page 156, if we look at total expenses versus sources, we had a big leap from last year and ultimately this is costing more. Director of Parks and Recreation Winquest said this is a combination of both and the expense is related to labor. We are now allocating a portion of the revenue office there, his time, and Staff and that it is about right sizing of the labor allocations that are changing; it is offset in other areas. Trustee Morris said so this is about putting things in the appropriate buckets and out of other buckets. Director of Parks and Recreation Winquest said Staff is not adding additional labor to the recreation counter and keeping FTE’s relatively flat.

Tennis

No questions were asked during this presentation.

Parks

Trustee Morris said, referencing agenda packet page 166, there is quite a big jump in utilities – can you comment. Director of Parks and Recreation
Winquest said it is mostly trash increases. Trustee Morris said thanks for that as he didn’t necessarily think about that.

Trustee Horan said that the budgeting has been greatly enhanced by data, and other than moving it around, it is very useful and makes it easier to do the budgeting.

Chairwoman Wong called for a break at 10:44 p.m.; reconvened at 10:50 p.m.

**General Fund**

No questions were asked during this presentation.

**Internal Services**

Trustee Callicrate asked how much money is in our expected fund balance for this fiscal year. District General Manager Pinkerton said we can go over that in our Monday meeting. Trustee Callicrate said okay, he will save that for Monday and noted that this is an important item to address. Director of Finance Gerry Eick said Staff will have a presentation as part of CIP for fund balance. Trustee Callicrate said okay, he will address that then and he looks forward to having a healthy discussion regarding that situation.

**Engineering/Utilities**

No questions were asked during this presentation.

G.3. **Review, discuss and possibly take action on Title 5 of the IVGID Code (Requesting Trustee: Chairwoman Kendra Wong) (moved to General Business Item G.3. from General Business Item G.2.)**

Chairwoman Wong asked if any Board member made it through Title 5. Trustee Callicrate said he only got through about fifteen to twenty percent and that it was so much to absorb that he needs more time to thoroughly vet it and apologized for not getting through it all.

Trustee Dent asked if the Board would getting a redline copy and if there was a matrix or map to all of this. Chairwoman Wong said there have been no changes yet and that District General Counsel did put in where the original text came from. Trustee Dent said one of the policies, Policy 19, there is no real flow to it. Chairwoman Wong said it is hard to do that and
that there are several areas related to budget so look at the end of that section – there are ten different policies that make up this section so that is the source of where everything came from. Then there are the links to the original forms. Hard to do that and there is not a way to redline that. Trustee Dent said that is the normal way to do this and that this is almost making it more difficult. Chairwoman Wong said to look at this with a fresh set off eyes, does this make sense or do we need to make changes. There is no intention to go line by line. Trustee Dent said that these documents worked for fifty years so how do we go through those as they are so intertwined.

Trustee Morris said he doesn’t know if this is possible but what’s the opportunity and workload of maybe saying taking any of the source documents and then saying Policy 23 covers all these areas and then stating where it is now in the code. Chairwoman Wong said that would mean reconstructing this document and having to do all over again.

District General Counsel Guinasso said at the end of every section is a reference or a source sheet, at the end of 5.0.1 you can go to all the source documents. What makes this project unique is we are taking policies, practices and procedures from a list that is fifty years in the making and trying to codify them into one document. He has all the documents and any Board member is welcome to go through the binder. The direction he got was to put them into the format like a municipal code and then let you review and revise that format. Trustee Callicrate said actually as he recalls, it was over four plus years ago, the Board had at that time, expressed that there were a multitude of items that the District had been operating under, what was being utilized, and no longer relevant. Then there was several changes to the Board and then it was put on hold and then we were presented with this is what Staff has been working on, which is a municipal document, and all went okay but was not quite what we discussed. Things have been moving along, we as a Board sat down and said what are we trying to do, what is the community wants, etc. is. He is a little concerned about moving forward on this as it is a major shift and how we are going to govern our District. He would like to plod through this but it could take three years. This is very important/critically important. He is in no hurry to move forward until everyone is satisfied. He is also open to a quarterly workshop and want to get more input from the community. At this point in time, he has a clearer idea of what we may or may not want to do. Chairwoman Wong said that is half correct. When we first started this project, we had a lot of policies and practices and we didn’t know if we had documents that were in conflict with each other. We weren’t able to identify those and that was the
impetus of this project. There were so many documents to go through one by one and we wanted to make a change to the debt policy that had implications to capital debt policies and could have been not following our own policies so we need one place to where we could get all the information and that’s how we have gotten to this point. The Board asked District General Counsel to merge all those items into one document/groupings. We started with major captions and that expanded to a table of contents and then feeding all the individual policies into this document. She would suggest breaking it up into smaller sections and then maybe address budget process and procedure to start rather than the entire title. Break it down into smaller chunks and one smaller topic, etc. and then you can go into the detail. Trustee Callicrate said he would agree as that would make it more digestible and shows we are being exhaustive as this is a monumental undertaking. Chairwoman Wong said she agrees and that it will take a lot of time and a lot of our attention. Chairwoman Wong then asked if the Board could look at 5.1.1.0 – budget process and procedure – and tackle that in the April meeting. Trustee Callicrate said it depends on the source documents and noted that it may take more time and that he is open to taking that as our next step. Chairwoman Wong said that there are ten source documents so it shouldn’t be too difficult to get through them.

Trustee Horan said he never looked at this as being some seismic change to how we were going to do business rather that we just need to clean it up. What he would find to be more useful is that this group gets Staff recommendations for here is what we want to take out which is not an abduction of our duties but as this Board has proven, we haven’t gotten anything done which is just his opinion. He would recommend that Staff bring it to us as they are the professionals who deal with it every day rather than going down that road and instead of making that decision. District General Counsel Guinasso asked what would that look like – is that having Staff go through and redline it and add or delete and bring it back as recommended revision. Trustee Callicrate said it is a good mixture of what Trustees Horan and Dent and others have said; here is what it is, these are Staff’s recommendations, and then we don’t want to nitpick it out because he will be dead by that time. We want to make sure that we have Staff’s expertise and that makes sense. Trustee Horan asked District General Manager Pinkerton what he thought of this idea. District General Manager Pinkerton said he is not sure if there is any additional work and it actually streamlines things.
Trustee Morris said he does think we continue this process as we set out to clarify, consolidate, and codify all that we have. As to putting them in the right place, etc. he does want us to continue this and find the most efficient and effective way to do this. He wants to get us somewhere and hate to see this go to waste. Don't have to do everything but let's do something. Chairwoman Wong said we can do both approaches. Whatever we ask of Staff, break up in smaller pieces, etc. let's start with budget process and procedures and let's get through those ten pages and come back in the April meeting. District General Manager Pinkerton said given where we are with budgets, there are other sections that would be easier to take on and those are Ordinances 2 and 4 and Staff could potentially show what they look like in the code. This would be a good model to work from and for Staff to do the easy part first. On March 28, we can talk about the sequencing as there is a lot of the parts of it that we can work on. Ordinance 7 needs a lot of time and energy so let's start that up in May or June as we want to do that during the peak season of the beach season; we can also carry on this discussion during the work plan.

Trustee Horan said moving to something simpler would be a good way and have Staff bring that to us something. Trustee Dent asked if there was a way to give us a little more. Chairwoman Wong asked if the Board could get the original Word documents. District General Counsel Guinasso said he had to work off the PDF's. Trustee Morris said he wanted to clarify what you are talking about and that is where it comes from. Chairwoman Wong said Staff would have to recreate it again. District General Counsel Guinasso said we can go through a Staff process and bring our recommendations forward in which we will make an attempt to source every subsection. An example would be Staff can make an attempt to annotate the sections so you have a more focused annotation. One of the reasons we did it this way is because there was this perception that Staff was going to take this opportunity to make changes serendipitously so he just wants the Board to own that direction and that when Staff come back with redlines, we want support. District General Manager Pinkerton added that the Board will be able to see the changes.

Trustee Horan said he is fearful if we go down this path, we will not get it done. There is the conspiracy theory that he is not advocating. He wants a recommendation from the experts that work for us. He wants to utilize that resource and maybe we do an easy section and check that proof of concept. District General Counsel Guinasso said Staff can come back with the schedule and prioritize it from easy to hard. For Ordinances 2 and 4, once
we have our public hearing, we can do those and be done. Trustee Horan said the Board can talk about this some more on March 28 as we now have more time to think about it as it is a key element of our work plan. Chairwoman Wong said she thinks that will work. One of things she wants to do is for the Board to come up a schedule of when to do this. Without having set a plan, we are kind of running into a wall. Trustee Horan said his idea would be to look at the things Staff is changing. District General Manager Pinkerton said this is an iterative process.

Trustee Morris said he want us to get started as there is an onus on us to do something. We have experts who can give us something to react to and he also likes the idea of proof of concept. In those smaller cycles, he will attempt to address the source and if we do that once or twice, if not, we can course correct. We need to get started as we review the plan and understand to doing something easy also subscribes us to do the hard stuff so setting a priority schedule is valuable. Chairwoman Wong said so we are asking our Staff to create two schedules to give us something to work from us. Trustee Horan said this is a utilization of Staff so we can make good decisions and we need to make the public completely aware of that as this is not Staff doing it.

Chairwoman Wong asked each Board member if they were okay with that; Trustee Morris said it is a good thing to do – he supports; Trustee Callicrate said he is on board; Trustee Dent said yes; and Trustee Horan said yes.

G.4. Discussion, by the Board of Trustees, on the proposed amendments to Sewer Ordinance #2 “An Ordinance Establishing Rates, Rules and Regulations for Sewer Service by the Incline Village General Improvement District” and Water Ordinance #4 “An Ordinance Establishing Rates, Rules and Regulations for Water Service by the Incline Village General Improvement District” that includes the Utility Rate Increase (Requesting Trustee: Chairwoman Kendra Wong) (moved to General Business Item G.4. from General Business Item G.3.)

Chairwoman Wong gave an overview and District General Manager Pinkerton gave a brief overview about how this came about.

Trustee Callicrate said that he apologizes for not being able to meet with Staff and that he does appreciate the outreach. He returns to Incline Village on March 26 and that this has been an interesting ordeal here in Florida and
that he hopes to get back on track. Appreciate the information in here and Staff reaching out and meeting with Trustee Dent.

H. DISTRICT STAFF UPDATE (for possible action)

H.1. General Manager Steve Pinkerton – verbal update

District General Manager Pinkerton gave a brief verbal update and said we are very close to getting more information about Mountain Golf Course and that he will provide the stakeholders with the information as there will be no hot food served there. Trustee Morris said we have been frustrated with the length of time and asked if Staff was comfortable with getting it looking great. District General Manager Pinkerton said yes.

I. REPORTS TO THE IVGID BOARD OF TRUSTEES*

I.1. District General Counsel Jason Guinasso

District General Counsel said he had no new updates but did announce that Devon Reese is joining Hutchison & Steffen effective April 1. Chairwoman Wong asked that congratulations be passed on from the Board.

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

There were no Board updates provided at this time.

K. PUBLIC COMMENTS* - Conducted in accordance with Nevada Revised Statutes Chapter 241.020 and limited to a maximum of three (3) minutes in duration; see Public Comment Advisory Statement above.

No members of the public were present so there were no public comments.

L. REVIEW WITH BOARD OF TRUSTEES, BY THE DISTRICT GENERAL MANAGER, THE LONG RANGE CALENDAR (for possible action)

District General Manager Pinkerton went over Long Range Calendar. Trustee Morris asked for the March 28 meeting that there be a hard stop at 8 p.m.

M. ADJOURNMENT (for possible action)
The meeting was adjourned at 11:53 p.m.

Respectfully submitted,

Susan A. Herron
District Clerk

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

Submitted by Linda Newman (XX pages): IVGID March 13, 2019 BOT Meeting Public Comment By: Linda Newman – To be included with the Minutes of the Meeting

Submitted by Aaron Katz (XX pages): Written statement to be included in the written minutes of this March 13, 2019 regular IVGID Board meeting – Agenda Item C – Public Comments – Actual evidence of water/sewer subsidies to IVGID owned commercial recreational business enterprises

Submitted by Aaron Katz (XX pages): Written statement to be included in the written minutes of this March 13, 2019 regular IVGID Board meeting – Agenda Item G(4) – Overview of Operating Budget – What a waste given that accounting to GM Pinkerton, there is no need to individually appropriate expenses because all of them are a “function” of everything IVGID does as a general improvement district. Moreover, Staff’s schedules are as phony as a three dollar bill!

Submitted by Aaron Katz (2 pages): Written statement to be included in the written minutes of this March 13, 2019 regular IVGID Board meeting – Agenda Item E(1) – Reports to the IVGID Board of Trustees (“Board”) – Who is the Tahoe Prosperity Center (“TPS”), what does it have to do with IVGID, and why has it been given a spot on the agenda?

Submitted by Mike Abel (1 page)

Submitted by Margaret Martini (1 page): March 13, 2019 IVGID Board of Trustees Meeting Public Comment By: Margaret Martini – to be included with the Minutes of the Meeting
IVGID March 13, 2019 BOT Meeting Public Comment
By: Linda Newman – To be included with the Minutes of the Meeting

Once again, you have presented an agenda that keeps the public out of participating in the public’s business. First, you continue to restrict our comments to 3 minutes to cumulatively address matters as important as new NV legislation, the IVGID Code, Amendments to Ordinances affecting our Utility rates as well as the District’s Operating Budget.

Absent from the packet are the contents of the proposed legislation presented for the Board’s consideration. This denies our citizens an opportunity to voice their views and the Board an opportunity to actually review the actual bills and their pros and cons before providing our lobbyists with direction. Omitted as well are the General Manager and Counsel’s “written reports” for the Board and our citizens advance review. Correspondence from our citizens are also missing from this packet, despite close to 20 years of precedent and NO BOARD VOTE to remove correspondence from the Board packets.

With that said, I must object to the District’s proposed Operating Budget. While operating revenues are projected to increase from $40 million in 2017 to $41.5 million in 2020, operating expenses will soar for the same period from $31 million to more than $36 million. Without a line item budget not a single Trustee can approve this draft. And shouldn’t.

As for approving a draft of the IVGID Code, I must also raise objection. Before you can codify anything, you must understand the Board’s existing Policies, Practices, Resolutions and Ordinances. Until you examine these and determine what you want to retain, exclude or change—you cannot approve a new narrative. Especially one without headings identifying each policy and practice, with many of these policies and practices sliced and diced through the document which also fails to identify deletions and additions to the current policies and practices. If the objective is to have a workable CODE, this Board must understand the CODE they are approving. Right now, you can’t and shouldn’t.

On a final note, I would like to ask this Board to replace Trustee Morris as District Treasurer. In addition to his failure to perform his Statutory duties as well as his bullying a constituent seeking public records, I believe the class action lawsuit against him and his bankrupt business for failure to pay all wages due to dozens of employees warrants your concern and corrective action.
Case No.: CV18-01544
Dept. No.: 8

FIRST AMENDED COLLECTIVE AND CLASS ACTION COMPLAINT

(EXEMPT FROM ARBITRATION PURSUANT TO NAR 5)

1) Failure to Pay Overtime in Violation of 29 U.S.C. § 207;
2) Failure to Pay Minimum Wages in Violation of the Nevada Constitution;
3) Failure to Pay Overtime Wages in Violation of NRS 608.140 and 608.018;
4) Failure to Timely Pay All Wages Due and Owing in Violation of NRS 608.140 and 608.020-050;
5) Breach of Contract; and
6) Quantum Meruit/Unjust Enrichment.

LIEN REQUESTED PURSUANT TO NRS 608.050

JURY TRIAL DEMANDED

FIRST AMENDED COLLECTIVE AND CLASS ACTION COMPLAINT
COMES NOW Plaintiff ERIN PAGE on behalf of herself and all other similarly situated and typical persons and alleges the following:

All allegations in the Complaint are based upon information and belief except for those allegations that pertain to the Plaintiff named herein and her counsel. Each allegation in the Complaint either has evidentiary support or is likely to have evidentiary support after a reasonable opportunity for further investigation and discovery.

JURISDICTION AND VENUE

1. This Court has original jurisdiction over the federal claim alleged herein pursuant to the Fair Labor Standards Act ("FLSA") 29 U.S.C. § 216(b) which states: "An action to recover the liability prescribed in either of the preceding sentences may be maintained against any employer (including a public agency) in any Federal or State court of competent jurisdiction by any one or more employees for and in behalf of himself or themselves and other employees similarly situated." Plaintiff contemporaneously files with this court a consent to join this action, attached as Exhibit 1, hereto.


3. Plaintiff is seeking to recover unpaid wages due pursuant to Nevada statutory authority and pursuant to an agreement (implied by law and fact) to pay for all hours worked. Plaintiff has a private right of action pursuant to Section 16 of Article 15 of the Nevada State Constitution. Plaintiff also has a private right of action to bring her Nevada statutory claims pursuant to NRS 608.040 and 608.140.

4. Plaintiff also claims a private cause of action to foreclose a lien against the property owner for wages due pursuant to NRS 608.050.

FIRST AMENDED COLLECTIVE AND CLASS ACTION COMPLAINT
5. Venue is proper in the Court because one or more of the Defendants named herein maintains a principal place of business or otherwise is found in the judicial district and many of the acts complained of herein occurred in Washoe County, Nevada.

PARTIES

6. Plaintiff ERIN PAGE is a natural person who is and was a resident of the State of Nevada at all relevant times herein. Ms. Page was employed by Defendants as a non-exempt hourly employee from on or about March 2017 to on or about November 3, 2017.

7. Defendant Peter Morris is the President and Owner of BrightStar Care Reno. BrightStar Care Reno is an employer engaged in commerce under the provisions of the Fair labor Standards Act, 29 U.S.C. § 201 et seq.

8. Defendant WALERAN ENTERPRISES, INC., dba BRIGHTSTAR CARE RENO (“BrightStar”) is a domestic corporation with a principal place of business at 241 Ridge Street, Suite 330, and is an employer under the Nevada Revised Statutes.¹

9. BRIGHTSTAR GROUP HOLDINGS, INC. is a domestic corporation, incorporated under the laws of Delaware, with its principal place of business at 1125 Tri-State Parkway, Suite 700, Gurnee, Illinois, 60031 and is an employer engaged in commerce under the provisions of the Fair labor Standards Act, 29 U.S.C. § 201 et seq. BRIGHTSTAR operates and franchises more than 300 BrightStar Care facilities nationwide.

10. BRIGHTSTAR is sued herein as a joint employer of Plaintiff and the putative class along with PETER MORRIS in his personal capacity. All joint employers are individually responsible for compliance with the FLSA. 29 C.F.R. § 791.2(a).

11. At all relevant times, each Defendant was an agent, employer, joint-venturer, shareholder, director, member, co-conspirator, alter ego, master, or partner of each of the other Defendants, and at all times mentioned herein were acting within the scope and course and in

¹ Defendants Waleran Enterprises, Inc. dba BrightStar Care Reno filed for Chapter 7 Bankruptcy of the U.S. Bankruptcy Code in the District of Nevada, known as Case No. BK-N-18-51151-bbb. As a result of the bankruptcy filing, pursuant to 11 U.S.C. § 362, an automatic stay is in place pending said proceedings. No new or further actions against this Defendant is stated in this amended complaint, and Plaintiff will proceed against the non-bankrupt Defendants only until and unless the stay is lifted.
pursuance of his, her, or its agency, joint venture, partnership, employment, common enterprise, or actual or apparent authority in concert with each other and the other Defendants.

12. At all relevant times, the acts and omissions of Defendants concurred and contributed to the various acts and omissions of each and every one of the other Defendants in proximately causing the complaints, injuries, and damages alleged herein. At all relevant times herein, Defendants approved of, condoned and/or otherwise ratified each and every one of the acts or omissions complained of herein. At all relevant times herein, Defendants aided and abetted the acts and omissions of each and every one of the other Defendants thereby proximately causing the damages as herein alleged.

13. The Defendants named herein are the employers of the Plaintiff and all Class Members alleged herein. The Defendants are employers engaged in commerce under the provisions of NRS 608.011.

14. The identity of DOES 1-50 is unknown at the time and the Complaint will be amended at such time when the identities are known to Plaintiff. Plaintiff is informed and believes that each Defendant sued herein as DOE is responsible in some manner for the acts, omissions, or representations alleged herein and any reference to “Defendant,” “Defendants,” “BrightStar” herein shall mean “Defendants and each of them.”

FACTUAL ALLEGATIONS

15. Defendants operate an in-home care service business in Northern Nevada that serves the communities of Reno, Sparks, Incline Village, Fernley, Verdi, Crystal Bay, Sun Valley, Gardnerville, and Virginia City. Defendants provide full-service healthcare, temporary or temporary-to-permanent staffing for medical and nonmedical homecare to private clients within their homes ranging from infants to seniors, as well as supplemental healthcare staff to corporate clients.

16. Defendant Peter Morris acted directly and indirectly on behalf of himself and BrightStar as an employer in relation to Plaintiff and all similarly situated employees. Defendant Morris has a significant ownership interest with operational control of significant aspects of the corporation's day-to-day functions; the power to hire and fire employees; the power to determine

FIRST AMENDED COLLECTIVE AND CLASS ACTION COMPLAINT
salaries; and the responsibility to maintain employment records and thus is personally liable for
the conduct alleged herein. See Boucher v. Shaw, 582 F.3d 1087, 1090 (9th Cir. 2009) (holding
that an employer’s individual managers were personally liable under the FLSA for unpaid wages.
pursuant to an “economic control” test).

17. Defendant BrightStar is both a direct employer of employees at their various
franchisee locations and is a joint-employer with the individual franchisees—e.g., BrightStar Care
Reno, Nevada. BrightStar Care employees, whether direct hires by BrightStar Care or by
individual franchisees, are provided initial training as well as ongoing franchise support and
national conferences for franchisees and staff to learn new initiatives and company practices.
These programs are designed to train management and employees regarding standards,
compliance and other topics to enable its franchisees to meet BrightStar’s expectations for all
BrightStar Care services. Through its job postings on BrightStar’s Website, BrightStar sets job
requirements, expectations, and duties for potential employees. See
information and belief, BrighStar exercises control over the hours and other working conditions
of Plaintiff and all similarly-situated hourly employees. See 29 C.F.R. § 791.2(b).

18. Plaintiff was employed by Defendant as a lives-out Caregiver. Plaintiff regularly
worked three to four 24-hour shifts per week, commencing at 8:00 a.m. and ending at 8:00 a.m.
the following day. Plaintiff sometimes worked 6 days a week and also worked as many as eleven
days in a row without a day off.

19. When Plaintiff Page was hired she was told she would be earning $250.00 per day.
However, her first paycheck amounted to only $175.00 per day. After she complained her day
rate was increased to $200.00 per day. She was never paid the promised $250.00 per day. Instead
she was paid on a fictitious fluctuating hourly rate basis.

Plaintiff’s FLSA Claims

20. For example, for the week of March 20, 2017 through March 26, 2017, Plaintiff
Page worked six straight days for a total of 131.5 hours but was only paid for 60 hours. See
2017. Even though Plaintiff worked 24-hour shifts, and indicated such on her time cards, Defendants only paid Plaintiff an hourly rate based on substantially less hours worked. *Id.* Plaintiff Page was paid $875.00 or $14.5833 per hour for 60 hours even though she worked a total of 119.5 hours. Based on the fictitious hourly rate of $14.5833 she should have been paid a total of $2,322.00 or $583.33 ($14.5833 X 40 = $583.33 straight time) and $1,738.66 ($14.5833 X .5 = $7.29; $14,5833 + $7.29 = $21.87 X 79.5 = $1,738.66 overtime). Thus, based on the hourly rate of pay identified on her pay stubs, Ms. Page was underpaid, $1,447.00 for this pay period alone.

21. Exhibit 2 shows just one example of the many pay periods whereby Ms. Page worked over 40 hours in one week, but was not compensated for the hours worked in excess of 40 hours during that workweek at the overtime compensation premium of one and one half times her regular rate for the hours worked in excess of forty (40) hours in that workweek and pursuant to federal law.

22. The policies and practices of Defendants at all relevant times have been substantially similar, if not identical, for all non-exempt employees it employs. Upon information and belief, Defendants did not pay any of its non-exempt hourly employees overtime at their applicable overtime premium rate of pay when they worked over 40-hours in a workweek.

**Plaintiff’s Nevada Law Claims**

23. The minimum wage in Nevada for employees who are not offered health benefits is $8.25 per hour. Under Article 15 Section 16 of the Nevada Constitution an employer can only take advantage of the lower-tier minimum wage amount of $7.25 if the employer offers health benefits to its employees and dependents “at a total cost to the employee for premiums of not more than 10 percent of the employee’s gross taxable income.” Plaintiff and similarly situated hourly employees were paid an effective hourly rate of less than $8.25 even though Defendants did not and does not offer health benefits to its nonexempt employees at a rate less than 10% of their gross income. Defendants thus failed to pay employees the correct minimum hourly rate of pay.
24. Despite making less than $8.25 per hour, Defendants never paid Plaintiff daily overtime when she worked over 8 hours in a workday.

25. Even though Plaintiff worked 24-hour shifts, and indicated such on her time cards, Defendants only paid Plaintiff an hourly rate based on substantially less hours worked. See Exhibit 2, “Timesheet & Earnings Statement for pay period of 3/20/2017 through 3/25/2017.”

26. For example, using the pay period in Exhibit 1, Plaintiff worked six days and was paid a total of $875.00. Plaintiff’s effective hourly wage rate was $7.32 for non-overtime hours ($875/119.5 = $7.32), which is below the statutory minimum wage of $8.25. Plaintiff should have been paid $396.00 ($8.25 x 48 straight time hours) and $885.17 ($12.38 x 71.5 overtime hours) for a total of $1,281.17. Thus, based on the statutory minimum wage, Ms. Page was underpaid, $406.17 for this pay period alone.

27. The policies and practices of Defendants at all relevant times have been substantially similar, if not identical, for all non-exempt employees it employs. Upon information and belief, Defendants did not pay any of its non-exempt hourly employees overtime at their applicable regular rate of pay when they worked over eight (8) hours in a workday and over forty (40) hours in a workweek.

COLLECTIVE ACTION ALLEGATIONS

28. Plaintiff rehearses and incorporates by this reference all the paragraphs above in this Complaint as though fully set forth herein.

29. Plaintiff brings this action on behalf of herself and all other similarly situated and typical employees as a collective action under the federal Fair Labor Standards Act ("FLSA"). Plaintiff brings this action on behalf of herself and the following Class of individuals:

A. FLSA CLASS: All current and former employees of Defendants in the State of Nevada who worked as non-exempt employees at any time during the relevant time period.

30. With regard to the conditional certification mechanism under the FLSA, Plaintiffs are similarly situated to those that they seek to represent for the following reasons, among others:
a. Defendants employed Plaintiff as an hourly-paid employee who did not receive overtime premium pay at one and one-half times the regular rate of pay for all hours worked over forty (40) hours in a workweek.

b. Plaintiff’s situation is similar to those she seeks to represent because Defendants failed to pay Plaintiff and all other Class Members with the knowledge acquiescence and/or approval (tactic as well as expressed) of Defendants’ managers and agents, their correct overtime rate when they worked over 40 hours in a workweek.

c. Common questions exist as to whether Defendants failed to pay Plaintiff and Class Members their correct overtime rate of pay for hours worked over 40 in a workweek.

d. Upon information and belief, Defendants employ, and have employed, in excess of 30 Class Members within the applicable statute of limitations.

31. The statute of limitations under the FLSA is 3 years for willful violations.

32. Plaintiff has signed a Consent to Sue form, which attached hereto as Exhibit 2.

CLASS ACTION ALLEGATIONS

33. Plaintiff realleges and incorporates by this reference all the paragraphs above in this Complaint as though fully set forth herein.

34. Plaintiff brings this action on behalf of herself and the following Classes of individuals:

A. Minimum Wage Class: “All hourly paid non-exempt persons employed by Defendants who were paid less than an effective hourly rate of less than $8.25 per non-overtime hour worked in the state of Nevada within 2 years from the filing of this Complaint until judgment.”

B. Daily Overtime Class: “All current and former employees of Defendants in the state of Nevada who earned less than one and one-half times their regular rate of pay for hours worked in excess of 8 hours in a workday during the relevant time period.”

FIRST AMENDED COLLECTIVE AND CLASS ACTION COMPLAINT
C. **Continuation Wage Class:** "All Class members who are former employees."

35. NRCP Rule 23 Class treatment for all claims alleged in this complaint is appropriate in this case for the following reasons:

A. **The Class is Sufficiently Numerous:** Upon information and belief, Defendants employs, and have employed, 30 or more Class Members within the applicable statute of limitations.

B. **Common Questions of Law and Fact Exist:** Common questions of law and fact exist and predominate as to Plaintiff and Class members including, without limitation:

1) Whether Defendants' policy of paying Plaintiff and the Minimum Wage Class member less than $8.25 was lawful;

2) Whether Defendants' policy of not paying Plaintiff and all other members of the Daily Overtime Class one and one-half times their regular rate for all hours worked in excess of 8 hours in a workday violates Nevada overtime laws.

3) Whether Plaintiff and the Continuation Wage Subclass members may recover 60-days additional wages for Defendants' daily overtime violations.

C. **Plaintiff's Claims are Typical to Those of Fellow Class Members:** Plaintiff's claims for minimum wage for all hours at the applicable tier of the minimum wage is typical to all other members of the Minimum Wage Class. Plaintiff's claim for daily overtime violations is typical to all other members of the Daily Overtime Class who were not paid one and one-half times their regular rate for all hours worked in excess of 8 hours a workday. Plaintiff's claim for continuation wages as a result of not receiving overtime pay is similarly typical to all other members of the Subclass.

D. **Plaintiff is an Adequate Representatives of the Class:** Plaintiff will fairly and adequately represent the interests of Class Members because Plaintiff is a member of
the Classes, she has common issues of law and fact with members of the classes, and her claims are typical to other Class Members.

36. **Predominance/Superiority:** Common questions predominate and a class action is superior to other available means for the fair and efficient adjudication of this controversy, since individual joinder of all members of the Class is impractical. Class action treatment will permit a large number of similarly situated persons to prosecute their common claims in a single forum simultaneously, efficiently, and without unnecessary duplication of effort and expense. Furthermore, the expenses and burden of individualized litigation would make it difficult or impossible for individual members of the Class to redress the wrongs done to them, while an important public interest will be served by addressing the matter as a class action. Individualized litigation would also present the potential for inconsistent or contradictory judgments.

**FIRST CAUSE OF ACTION**

Failure to Pay Overtime Wages in Violation of the FLSA, 29 U.S.C. § 207

(On Behalf of Plaintiff and the FLSA Class and against ALL Defendants)

37. Plaintiff reallges and incorporates by reference all the paragraphs above in the Complaint as though fully set forth herein.

38. 29 U.S.C. Section 207(a)(1) provides as follows: “Except as otherwise provided in the section, no employer shall employ any of his employees who in any workweek is engaged in commerce or in the production of goods for commerce, or is employed in an enterprise engaged in commerce or in the production of goods for commerce, for a workweek longer than forty hours unless such employee receives compensation for his employment in excess of the hours above specified at a rate not less than one and one-half times the regular rate at which he is employed.”

39. By failing to compensate Plaintiff and Class Members for all the time they were suffered and/or permitted to work, Defendants failed to pay Plaintiff and the CLASS the correct overtime premium pay for all hours worked in excess of forty (40) hours in a week and in violation of 29 U.S.C. Section 207(a)(1).

40. Wherefore, Plaintiff demands for herself and for all others similarly situated, that Defendants pay Plaintiff and CLASS Members one and one-half times their regular hourly rate
of pay for all hours worked in excess of forty (40) hours a week during the relevant time period together with liquidated damages, attorneys’ fees, costs, and interest as provided by law.

SECOND CAUSE OF ACTION

Failure to Pay Minimum Wages in Violation of the Nevada Constitution

(On Behalf of Plaintiff and the Minimum Wage Class Against Defendants Waleran Enterprises, INC., dba Brightstar Care Reno. and Brightstar Group Holdings, Inc.)

41. Plaintiff realleges and incorporates by this reference all the paragraphs above in this Complaint as though fully set forth herein.

42. Article 15 Section 16 of the Nevada Constitution sets forth the requirements the minimum wage requirements in the State of Nevada (“MWA”). The MWA sets forth a two-tiered minimum wage, equal to $7.25 or $8.25 for the relevant time period covered in this action.

43. In order to pay the lower tier minimum wage amount, an employer must offer health benefits to its employees and the dependents of the employees “at a total cost to the employee for premiums of not more than 10 percent of the employee’s gross taxable income from the employer.”

44. As alleged herein, Defendants paid Plaintiff and all other members of the Class less than the higher-tier minimum wage rate but have failed to offer health benefits to its employees and the employees’ dependents at a total cost to the employee for premiums of not more than 10% of the employees’ gross taxable income.

45. By unlawfully paying Plaintiff and members of the Class less than the applicable minimum wage rate of $8.25, Defendants have failed to compensate Plaintiff and members of the Class at the minimum wage rate for all the hours that they worked pursuant to the Nevada Constitution.

46. Wherefore, Plaintiff demands for herself and for all other Class Members that Defendants pay Plaintiff and Class Members their unpaid minimum wages for all hours worked during the relevant time period alleged herein together with attorneys’ fees, costs, interest, and punitive damages, as provided by law.
THIRD CAUSE OF ACTION

Failure to Pay Overtime Wages in Violation of NRS 608.140 and 608.018

(On Behalf of Plaintiff and the Daily Overtime Class Against Defendants Walenan Enterprises, INC., dba Brightstar Care Reno, and Brightstar Group Holdings, Inc.))

47. Plaintiff realleges and incorporates by this reference all the paragraphs above in this Complaint as though fully set forth herein.

48. NRS 608.140 provides that an employee has a private right of action for unpaid wages.

49. NRS 608.018(1) provides as follows:

An employer shall pay 1 1/2 times an employee’s regular wage rate whenever an employee who receives compensation for employment at a rate less than 1 1/2 times the minimum rate prescribed pursuant to NRS 608.250 works: (a) More than 40 hours in any scheduled week of work; or (b) More than 8 hours in any workday unless by mutual agreement the employee works a scheduled 10 hours per day for 4 calendar days within any scheduled week of work.

50. Defendants failed to pay Plaintiff and Daily Overtime Class members daily overtime premium pay for all hours worked over eight (8) hours in a workday, in violation of NRS 608.140 and 608.018(1)(b).

51. Wherefore, Plaintiff demands for herself and for Daily Overtime Class members that Defendants pay Plaintiff and Daily Overtime Class members one and one-half times their "regular rate" of pay for all hours worked in excess of eight (8) hours in a workday during the relevant time period alleged herein together with attorneys’ fees, costs, and interest as provided by law.

FOURTH CAUSE OF ACTION

Failure to Timely Pay All Wages Due and Owing Upon Termination Pursuant to NRS 608.140 and 608.020-.050

(On Behalf of Plaintiff and the Continuation Wage Class Against Defendants Walenan Enterprises, INC., dba Brightstar Care Reno, and Brightstar Group Holdings, Inc.)

FIRST AMENDED COLLECTIVE AND CLASS ACTION COMPLAINT
52. Plaintiff realleges and incorporates by this reference all the paragraphs above in this Complaint as though fully set forth herein.

53. NRS 608.140 provides that an employee has a private right of action for unpaid wages.

54. NRS 608.020 provides that “[w]henever an employer discharges an employee, the wages and compensation earned and unpaid at the time of such discharge shall become due and payable immediately.”

55. NRS 608.040(1)(a-b). in relevant part, imposes a penalty on an employer who fails to pay a discharged or quitting employee: “Within 3 days after the wages or compensation of a discharged employee becomes due; or on the day the wages or compensation is due to an employee who resigns or quits, the wages or compensation of the employee continues at the same rate from the day the employee resigned, quit, or was discharged until paid for 30-days, whichever is less.”

56. NRS 608.050 grants an “employee lien” to each discharged or laid-off employee for the purpose of collecting the wages or compensation owed to them “in the sum agreed upon in the contract of employment for each day the employer is in default, until the employee is paid in full, without rendering any service therefor; but the employee shall cease to draw such wages or salary 30 days after such default.”

57. By failing to pay Plaintiff Page and the Continuation Wage Class members overtime as described above, Defendants have failed to pay the Continuation Wage Class Members all their wages due and owing at the time of their separation from employment.

58. Despite demand, Defendants willfully refuses and continues to refuse to pay Plaintiff Page and all Continuation Wage Class members the overtime wages that were due and owing upon the termination of their employment.

59. Wherefore, Plaintiff Page demands thirty (30) days wages under NRS 608.140 and 608.040, and an additional thirty (30) days wages under NRS 608.140 and 608.050, for herself and all Waiting Time Penalty Class members during the relevant time period alleged herein together with attorneys’ fees, costs, and interest as provided by law.

FIRST AMENDED COLLECTIVE AND CLASS ACTION COMPLAINT

- 13 -
FIFTH CAUSE OF ACTION

Breach of Contract

(On Behalf of Plaintiff and the Nevada Classes Against Defendants Walran Enterprises, INC., dba Brightstar Care Reno, and Brightstar Group Holdings, Inc.)

60. Plaintiff realleges and incorporates by this reference all the paragraphs above in this Complaint as though fully set forth herein.

61. At all times relevant herein, Defendants had an agreement with Plaintiff and with every NEVADA Class Member to pay an agreed upon hourly wage rate for all hours they worked for Defendants. Indeed, Defendants offered to pay Plaintiff and NEVADA Class Members a specific rate of pay in exchange for Plaintiff and NEVADA Class Members' promise to perform work for Defendants. Plaintiff and the Nevada Class were not volunteers. Plaintiff and the Nevada Classes showed up for work and worked their required hours, yet Defendants did not pay them the agreed upon rate of pay for all hours actually worked.

62. Defendants breached its agreement with Plaintiff and NEVADA Class Members by failing to compensate them for all hours worked at the agreed upon rate of pay.

63. As a result of Defendants' breach, Plaintiff and NEVADA Class Members have suffered economic loss that includes lost wages and interest.

64. The statute of limitations for breach of a written agreement is six years.

65. The parties' wage agreement necessarily incorporated all applicable provisions of both state and federal law. NRS 608.100(1)."(It is unlawful for any employer to: (b) Pay a lower wage, salary or compensation to an employee than the amount that the employer is required to pay to the employee by virtue of any statute or regulation or by contract between the employer and the employee[.])"

66. Therefore, Plaintiff demands for herself and for Daily Overtime Class members that Defendants pay Plaintiff and Nevada Class members their agreed upon rate of pay for all hours worked and their daily overtime compensation for all hours worked in excess of eight (8) hours in a workday during the relevant time period alleged herein together with attorney's fees, costs, and interest as provided by law.

FIRST AMENDED COLLECTIVE AND CLASS ACTION COMPLAINT
SIXTH CAUSE OF ACTION

Quantum Meruit/Unjust Enrichment

(On Behalf of Plaintiff and the On Behalf of Plaintiff and the Nevada Classes Against
Defendants Waleran Enterprises, INC., dba Brightstar Care Reno, and Brightstar Group
Holdings, Inc.)

67. Plaintiff realleges and incorporates by reference all the paragraphs above in the
Complaint as though fully set forth herein.

68. Plaintiff performed labor for Defendants and for Defendants' benefit.

69. By virtue of performing labor in the state of Nevada, Plaintiff expects to be
compensated according to the laws of the state of Nevada.

70. Similarly, by employing persons in the state of Nevada, Defendants are obligated
to comply with the wage and hour laws of the state of Nevada. Indeed, "[i]t is unlawful for any
employer to: (b) Pay a lower wage, salary or compensation to an employee than the amount that
the employer is required to pay to the employee by virtue of any statute or regulation or by
contract between the employer and the employee[.]" NRS 608.100(1).

71. By failing to pay Plaintiff and the Minimum Wage Class members the minimum
wage mandated by law, Defendants have been unjustly enriched and have engaged in unfair
competition with other Nevada businesses that compensate employees in accordance with the
laws of this State

72. By failing to pay Plaintiff and the Nevada Class members their agreed upon rate
of pay for all hours worked and their daily overtime compensation for all hours worked in excess
of eight (8) hours in a workday as mandated by law, Defendants have been unjustly enriched and
have engaged in unfair competition with other Nevada businesses that compensate employees in
accordance with the laws of this State.

73. Therefore, Plaintiff demands for herself and for Class Members the correct
minimum wage and the overtime rate for all the overtime hours worked during the relevant time
period alleged herein together with attorney's fees, costs, and interest as provided by law.
JURY TRIAL DEMANDED

Plaintiff hereby demands a jury trial pursuant to Nevada Rule of Civil Procedure 38.

PRAYER FOR RELIEF

Wherefore Plaintiff, by herself and on behalf of all Class and Subclass members, pray for relief as follows relating to their class action allegations:

1. For an order conditionally certifying the action under the FLSA and providing notice to all FLSA Class members so they may participate in the lawsuit;
2. For an order appointing Plaintiff as the Representative of the Class and Subclasses and her counsel as Class Counsel;
3. For damages according to proof for overtime compensation for all hours worked over 40 per week;
4. For liquidated damages pursuant to 29 U.S.C. § 261(b);
5. For an order certifying the Class and Subclass under Nevada Rule of Civil Procedure 23;
6. For an order appointing Plaintiff as the Representatives of the Class and Subclasses and her counsel as Class Counsel;
7. For damages according to proof for the applicable minimum rate pay under the Nevada Constitution for all hours worked;
8. For damages according to proof for overtime compensation under NRS 608.140 and 608.018 for all hours worked for those employees who earned a regular rate of less than one and one-half times the minimum wage for hours worked in excess of 8 hours per workday;
9. For continuation wages pursuant to NRS 608.140 and 608.040-.050;
10. For a lien on the property where Plaintiff and all Nevada Class Members labored pursuant to NRS 608.050;
11. For injunctive relief;
12. For declaratory relief;
13. For damages pursuant to Defendants’ breach of contract;
14. For damages pursuant to Defendants' unjust enrichment;
15. For interest as provided by law at the maximum legal rate;
16. For reasonable attorneys' fees authorized by statute;
17. For costs of suit incurred herein;
18. For pre-judgment and post-judgment interest, as provided by law, and
19. For such other and further relief as the Court may deem just and proper.

**AFFIRMATION**

The undersigned does hereby affirm that the preceding document filed in the Second Judicial District Court of the State of Nevada, County of Washoe, does not contain the social security number of any person.

DATED: November 14, 2018

s/Mark R. Thierman
Mark R. Thierman
Joshua D. Buck
Leah L. Jones

*Attorneys for Plaintiff*
# Index of Exhibits

<table>
<thead>
<tr>
<th>NO.</th>
<th>DESCRIPTION</th>
<th>NO. OF PAGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Consent to Join Form by Erin Page</td>
<td>1</td>
</tr>
<tr>
<td>2.</td>
<td>Timesheet &amp; Earnings Statement for pay period of 3/20/2017 through 3/25/2017</td>
<td>2</td>
</tr>
</tbody>
</table>
EXHIBIT 1

Consent to Sue
IN THE SECOND JUDICIAL DISTRICT COURT OF
THE STATE OF NEVADA IN AND FOR THE
COUNTY OF WASHOE

JAN PAGE, on behalf of herself and all
others similarly situated,

Plaintiffs,

vs.

WALERAN ENTERPRISES, INC., dba
BRIGHTSTAR CARE RENO, and DOES 1
through 50, inclusive,

Defendant(s).

Case No.: CV18-01544
Dept. No.: 8
CONSENT TO SUIT
Pursuant to the Fair Labor Standards Act, 29 U.S.C.S. 216(b), the undersigned hereby gives my consent in writing to become a party plaintiff against my Employer, Former Employer, and/or any and all its affiliated entities identified below. I authorize the filing of a copy of this consent form in Court. I further consent to join this and/or any subsequent or amended suit against the same or related defendant for wage and hour violations.

Dated this ZOhc, day of June, 2018

Name: Erin Page

(Signature)

Employer: BrightStar Care
EXHIBIT 2

Timesheet & Earnings Statement
### BrightStar of Reno: Client Service Weekly Care Record & Timesheet

#### Observations Noted

<table>
<thead>
<tr>
<th></th>
<th>M</th>
<th>T</th>
<th>W</th>
<th>T</th>
<th>F</th>
<th>S</th>
</tr>
</thead>
<tbody>
<tr>
<td>EAT</td>
<td>✅</td>
<td>✅</td>
<td>✅</td>
<td>✅</td>
<td>✅</td>
<td>✅</td>
</tr>
<tr>
<td>CONVERSING</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>COMMUNICATE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CONVERSATION</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>APPEARED TO UNDERSTAND</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SPEAKS EASILY TO FOLLOW</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>COMMUNITY CHANGES IN SPREAD MUST BE DOCUMENTED AND CALLED INTO</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SPEAKS OR DRUNKEN CHANGE CALL THE OFFICE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LIFTS (OR TURNS)  ACROSS BEDS (OR 4-POSTER)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NUMBER OF SITS/STANDS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CONTINENT Y/N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Comments: a and b only if POC indicates incontinence. C if POC indicates incontinence in any area.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Services Delivered

<table>
<thead>
<tr>
<th></th>
<th>M</th>
<th>T</th>
<th>W</th>
<th>T</th>
<th>F</th>
<th>S</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. SHOWERS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. DRESS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. HAIR</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. SHAMPOO</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. BODY WASH</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. PERSONAL HYGIENE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. DRESSING</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. TOILETING</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. INCONTINENCE CARE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. SHIRTS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. SHORTS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. REVIEW</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. FALL RISKS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. ASSISTIVE DEVICES</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. TRANSFER</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16. AMBULATORY</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. REPOSITION</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. EXERCISE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19. LIGHT HOUSEWORK</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20. LINEN CHANGE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21. PREPARING MEALS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22. FEEDING</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>23. ENTRUSTED BEVERAGES</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>24. TRANSPORTATION</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>25. HEALTH</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>26. HAND WASHING</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Comments: You must wash hands before and after as directed. You may wash hands at entry, after handling client, and before leaving. You must wash hands at entry and departure. You also wash with each task performed. I.e., showers, meal prep, linen change, if 4 tasks then a minimum of 5 hand washes should be documented.

### Timesheet

<table>
<thead>
<tr>
<th></th>
<th>Mon</th>
<th>Tues</th>
<th>Wed</th>
<th>Thurs</th>
<th>Fri</th>
<th>Sat</th>
<th>Sun</th>
</tr>
</thead>
<tbody>
<tr>
<td>Start Time</td>
<td>9:00 AM</td>
<td>9:00 AM</td>
<td>9:00 AM</td>
<td>9:00 AM</td>
<td>9:00 AM</td>
<td>9:00 AM</td>
<td>9:00 AM</td>
</tr>
<tr>
<td>End Time</td>
<td>5:00 PM</td>
<td>5:00 PM</td>
<td>5:00 PM</td>
<td>5:00 PM</td>
<td>5:00 PM</td>
<td>5:00 PM</td>
<td>5:00 PM</td>
</tr>
</tbody>
</table>

Total Hours Worked: 1.6

#### Supervision

Supervisor: ___________________________ Date: ___________________________

#### Client Signature

Client Signature: ___________________________ Initials: ___________________________

ATTN Client: By initialing and signing above you are confirming services performed and dates and time of service.
**Earnings Statement**

Period Beginning: 03/20/2017  
Period Ending: 03/31/2017  
Pay Date: 03/31/2017

**ERIN PAGE**  
15730 DRY VALLEY RD  
RENO NV 89506

---

<table>
<thead>
<tr>
<th>Earnings</th>
<th>Rate</th>
<th>Hours</th>
<th>This Period</th>
<th>Year to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular</td>
<td>14.583</td>
<td>60.00</td>
<td>875.00</td>
<td>1,177.81</td>
</tr>
<tr>
<td>Overtime</td>
<td></td>
<td></td>
<td></td>
<td>16.25</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,194.06</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gross Pay</th>
<th>$875.00</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Deductions</th>
<th>Statutory</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Income Tax</td>
<td>65.01</td>
</tr>
<tr>
<td>Social Security Tax</td>
<td>74.03</td>
</tr>
<tr>
<td>Medicare Tax</td>
<td>17.31</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Pay</th>
<th>$743.05</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Check</td>
<td>$743.05</td>
</tr>
</tbody>
</table>

Your federal taxable wages this period are $875.00
REBECCA BRUCH, ESQ. (SBN 7289)
ERICKSON, THORPE & SWAINSTON, LTD.
99 W. Arroyo Street
Reno, Nevada 89509
Tel. (775)786-3930
Fax. (775)786-4160
rbruch@etsreno.com
Attorneys for Defendants

IN THE SECOND JUDICIAL DISTRICT COURT OF
THE STATE OF NEVADA IN AND FOR THE COUNTY OF WASHOE

ERIN PAGE, on behalf of herself and all others similarly situated,
Plaintiff,

v.

PETER MORRIS, WALERAN ENTERPRISES, INC., dba BRIGHTSTAR CARE RENO, BRIGHTSTAR GROUP HOLDINGS, INC. and DOES 1 through 50, inclusive,
Defendant(s).

Case No. CV18-01544
Dept. No.: 8

DEFENDANT PETER MORRIS' ANSWER TO FIRST AMENDED COMPLAINT

Defendant PETER MORRIS ("Morris") by and through his attorney of record, REBECCA BRUCH, ESQ. of ERICKSON, THORPE & SWAINSTON, LTD., hereby files his answer to Plaintiff's First Amended Collective and Class Action Complaint (Lien Request Pursuant to NRS 608.05, Jury Trial Demanded) on file herein by admitting, denying and alleging as follows:

JURISDICTION AND VENUE

1. The averments in Paragraph 1 are averments of legal conclusions rather than statements of fact. To the extent the court determines the averments are statements of fact, Defendant Morris denies each, every and all such statements.

2. The averments in Paragraph 2 are averments of legal conclusions rather than statements of fact. To the extent the court determines the averments are statements of fact, Defendant Morris denies each, every and all such statements.
3. The averments in Paragraph 3 are averments of legal conclusions rather than statements of fact. To the extent the court determines the averments are statements of fact, Defendant Morris denies each, every and all such statements.

4. The averments in Paragraph 4 are averments of legal conclusions rather than statements of fact. To the extent the court determines the averments are statements of fact, Defendant Morris denies each, every and all such statements.

5. The averments in Paragraph 5 are averments of legal conclusions rather than statements of fact. To the extent the court determines the averments are statements of fact, Defendant Morris denies each, every and all such statements.

PARTIES


7. The averments in Paragraph 7 are averments of legal conclusions rather than statements of fact. To the extent the court determines the averments are statements of fact, Defendant Morris denies each, every and all such statements.

8. The averments in Paragraph 8 are averments of legal conclusions rather than statements of fact. To the extent the court determines the averments are statements of fact, Defendant Morris denies each, every and all such statements.

9. The allegations contained in Paragraph 9 contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

10. The averments in Paragraph 10 are averments of legal conclusions rather than statements of fact. To the extent the court determines the averments are statements of fact, Defendant Morris denies each, every and all such statements.

11. The averments in Paragraph 11 are averments of legal conclusions rather than statements of fact. To the extent the court determines the averments are statements of fact, Defendant Morris denies each, every and all such statements.

12. Defendant Morris denies the averments contained in Paragraph 12.

14. The allegations contained in Paragraph 14 contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

**FACTUAL ALLEGATIONS**

15. Defendant Morris denies the averments contained in Paragraph 15.

16. Defendant Morris denies the averments contained in Paragraph 16.

17. The allegations contained in Paragraph 17 contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

18. Defendant Morris is without knowledge or information sufficient to form a belief as to the truth of the averments contained in Paragraph 18 and therefore denies each, every and all of the same.


**Plaintiff's FLSA Claims**

20. Defendant Morris is without knowledge or information sufficient to form a belief as to the truth of the averments contained in Paragraph 20 and therefore denies each, every and all of the same.

21. The allegations contained in Paragraph 21 contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

22. Defendant Morris denies the averments contained in Paragraph 22.

**Plaintiff's Nevada Law Claims**

23. The averments in Paragraph 23 are averments of legal conclusions rather than statements of fact. To the extent the court determines the averments are statements
of fact, Defendant Morris denies each, every and all such statements.


25. Defendant Morris denies the averments contained in Paragraph 25.

26. The averments in Paragraph 26 are averments of legal conclusions rather than statements of fact. To the extent the court determines the averments are statements of fact, Defendant Morris denies each, every and all such statements.

27. Defendant Morris denies the averments contained in Paragraph 27.

COLLECTIVE ACTION ALLEGATIONS

28. Defendant Morris adopts by reference and incorporates herein each, every and all of his admissions, denials and averments to Paragraph 1 through 27 of the First Amended Complaint as if the same were set forth in full at this point.

29. The allegations contained in Paragraph 29 (including its subpart) contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

30. The averments in Paragraph 30 are averments of legal conclusions rather than statements of fact. To the extent the court determines the averments are statements of fact, Defendant Morris denies each, every and all such statements.

a. Defendant Morris denies the averments contained in Paragraph 30a.

b. Defendant Morris denies the averments contained in Paragraph 30b.

c. Defendant Morris denies the averments contained in Paragraph 30c.

d. Defendant Morris denies the averments contained in Paragraph 30d.

31. The averments in Paragraph 31 are averments of legal conclusions rather than statements of fact. To the extent the court determines the averments are statements of fact, Defendant Morris denies each, every and all such statements.

32. Defendant Morris is without knowledge or information sufficient to form a belief as to the truth of the averments contained in Paragraph 32 and therefore denies each, every and all of the same.
CLASS ACTION ALLEGATIONS

33. Defendant Morris adopts by reference and incorporates herein each, every and all of his admissions, denials and averments to Paragraph 1 through 32 of the First Amended Complaint as if the same were set forth in full at this point.

34. The allegations contained in Paragraph 34 (including its subparts) contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

35. The averments in Paragraph 35 are averments of legal conclusions rather than statements of fact. To the extent the court determines the averments are statements of fact, Defendant Morris denies each, every and all such statements.

   A. The averments in Paragraph 35A are averments of legal conclusions rather than statements of fact. To the extent the court determines the averments are statements of fact, Defendant Morris denies each, every and all such statements.

   B. The averments in Paragraph 35B (including its subparts) are averments of legal conclusions rather than statements of fact. To the extent the court determines the averments are statements of fact, Defendant Morris denies each, every and all such statements.

   C. The averments in Paragraph 35C are averments of legal conclusions rather than statements of fact. To the extent the court determines the averments are statements of fact, Defendant Morris denies each, every and all such statements.

   D. The averments in Paragraph 35D are averments of legal conclusions rather than statements of fact. To the extent the court determines the averments are statements of fact, Defendant Morris denies each, every and all such statements.

36. The averments in Paragraph 36 are averments of legal conclusions rather than statements of fact. To the extent the court determines the averments are statements of fact, Defendant Morris denies each, every and all such statements.

///
FIRST CAUSE OF ACTION

Failure to Pay Overtime Wages in Violation of FLSA, 29 U.S.C. § 207
(On Behalf of Plaintiff and the FLSA Class and against ALL Defendants)

37. Defendant Morris adopts by reference and incorporates herein each, every
and all of his admissions, denials and averments to Paragraph 1 through 36 of the First
Amended Complaint as if the same were set forth in full at this point.

38. The allegations contained in Paragraph 38 contain no charging averments
as against Defendant Morris and for that reason, no response is required. If, however, the
Court deems any of the averments contained in said paragraph to be applicable to
Defendant Morris, Defendant Morris denies the same.

39. Defendant Morris denies the averments contained in Paragraph 39.

40. Defendant Morris denies the averments contained in Paragraph 40.

SECOND CAUSE OF ACTION

Failure to Pay Minimum Wages in Violation of the Nevada Constitution
(On Behalf of the Minimum Wage Class Against Defendant Walera Enterprises, INC.
dba Brightstar Care Reno, and Brightstar Group Holdings, Inc.)

41. Defendant Morris adopts by reference and incorporates herein each, every
and all of his admissions, denials and averments to Paragraph 1 through 40 of the First
Amended Complaint as if the same were set forth in full at this point.

42. The allegations contained in Paragraph 42 contain no charging averments
as against Defendant Morris and for that reason, no response is required. If, however, the
Court deems any of the averments contained in said paragraph to be applicable to
Defendant Morris, Defendant Morris denies the same.

43. The allegations contained in Paragraph 43 contain no charging averments
as against Defendant Morris and for that reason, no response is required. If, however, the
Court deems any of the averments contained in said paragraph to be applicable to
Defendant Morris, Defendant Morris denies the same.

44. The allegations contained in Paragraph 44 contain no charging averments
as against Defendant Morris and for that reason, no response is required. If, however, the
Court deems any of the averments contained in said paragraph to be applicable to
Defendant Morris, Defendant Morris denies the same.

45. The allegations contained in Paragraph 45 contain no charging averments
as against Defendant Morris and for that reason, no response is required. If, however, the
Court deems any of the averments contained in said paragraph to be applicable to
Defendant Morris, Defendant Morris denies the same.

46. The allegations contained in Paragraph 46 contain no charging averments
as against Defendant Morris and for that reason, no response is required. If, however, the
Court deems any of the averments contained in said paragraph to be applicable to
Defendant Morris, Defendant Morris denies the same.

THIRD CAUSE OF ACTION

Failure to Pay Overtime Wages in Violation of NRS 608.140 and 608.018
(On Behalf of Plaintiff and the Daily Overtime Class Against Defendant Waleroan
Enterprises, INC., dba Brightstar Care Reno, and Brightstar Group Holdings, Inc.)

47. Defendant Morris adopts by reference and incorporates herein each, every
and all of his admissions, denials and averments to Paragraph 1 through 46 of the First
Amended Complaint as if the same were set forth in full at this point.

48. The allegations contained in Paragraph 48 contain no charging averments
as against Defendant Morris and for that reason, no response is required. If, however, the
Court deems any of the averments contained in said paragraph to be applicable to
Defendant Morris, Defendant Morris denies the same.

49. The allegations contained in Paragraph 49 contain no charging averments
as against Defendant Morris and for that reason, no response is required. If, however, the
Court deems any of the averments contained in said paragraph to be applicable to
Defendant Morris, Defendant Morris denies the same.

50. The allegations contained in Paragraph 50 contain no charging averments
as against Defendant Morris and for that reason, no response is required. If, however, the
Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

51. The allegations contained in Paragraph 51 contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

FOURTH CAUSE OF ACTION

Failure to Timely Pay All Wages Due and Owing Upon Termination Pursuant to NRS 608.140 and 608.020-.050

(On Behalf of Plaintiff and the Continuation Wage Class Against Defendants Waleran Enterprises, INC., dba Brightstar Care Reno, and Brightstar Group Holdings, Inc.)

52. Defendant Morris adopts by reference and incorporates herein each, every and all of his admissions, denials and averments to Paragraph 1 through 51 of the First Amended Complaint as if the same were set forth in full at this point.

53. The allegations contained in Paragraph 53 contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

54. The allegations contained in Paragraph 54 contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

55. The allegations contained in Paragraph 55 contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

56. The allegations contained in Paragraph 56 contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the
Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

57. The allegations contained in Paragraph 57 contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

58. The allegations contained in Paragraph 58 contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

59. The allegations contained in Paragraph 59 contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

FIFTH CAUSE OF ACTION
Breach of Contract

(On Behalf of Plaintiff and the Nevada Classes Against Defendants Walcan Enterprises, INC., dba Brightstar Care Reno, and Brightstar Group Holdings, Inc.)

60. Defendant Morris adopts by reference and incorporates herein each, every and all of his admissions, denials and averments to Paragraph 1 through 59 of the First Amended Complaint as if the same were set forth in full at this point.

61. The allegations contained in Paragraph 61 contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

62. The allegations contained in Paragraph 62 contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to
Defendant Morris, Defendant Morris denies the same.

63. The allegations contained in Paragraph 63 contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

64. The allegations contained in Paragraph 64 contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

65. The allegations contained in Paragraph 65 contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

66. The allegations contained in Paragraph 66 contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

SIXTH CAUSE OF ACTION

Quantum Meruit/Unjust Enrichment

(On Behalf of Plaintiff and the Nevada Classes Against Defendant Waleran Enterprises, INC., dba Brightstar Care Reno, and Brightstar Group Holdings, Inc.)

67. Defendant Morris adopts by reference and incorporates herein each, every and all of his admissions, denials and averments to Paragraph 1 through 66 of the First Amended Complaint as if the same were set forth in full at this point.

68. The allegations contained in Paragraph 68 contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.
69. The allegations contained in Paragraph 69 contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

70. The allegations contained in Paragraph 70 contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

71. The allegations contained in Paragraph 71 contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

72. The allegations contained in Paragraph 72 contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

73. The allegations contained in Paragraph 73 contain no charging averments as against Defendant Morris and for that reason, no response is required. If, however, the Court deems any of the averments contained in said paragraph to be applicable to Defendant Morris, Defendant Morris denies the same.

**RESPONSE TO PRAYER FOR RELIEF**

1. Defendant denies the averments contained in Paragraph 1 of Plaintiff's Prayer for Relief.

2. Defendant denies the averments contained in Paragraph 2 of Plaintiff's Prayer for Relief.

3. Defendant denies the averments contained in Paragraph 3 of Plaintiff's Prayer for Relief.

4. Defendant denies the averments contained in Paragraph 4 of Plaintiff's
Prayer for Relief.

5. Defendant denies the averments contained in Paragraph 5 of Plaintiff's Prayer for Relief.

6. Defendant denies the averments contained in Paragraph 6 of Plaintiff's Prayer for Relief.

7. Defendant denies the averments contained in Paragraph 7 of Plaintiff's Prayer for Relief.

8. Defendant denies the averments contained in Paragraph 8 of Plaintiff's Prayer for Relief.

9. Defendant denies the averments contained in Paragraph 9 of Plaintiff's Prayer for Relief.

10. Defendant denies the averments contained in Paragraph 10 of Plaintiff's Prayer for Relief.

11. Defendant denies the averments contained in Paragraph 11 of Plaintiff's Prayer for Relief.

12. Defendant denies the averments contained in Paragraph 12 of Plaintiff's Prayer for Relief.


15. Defendant denies the averments contained in Paragraph 15 of Plaintiff's Prayer for Relief.

16. Defendant denies the averments contained in Paragraph 16 of Plaintiff's Prayer for Relief.

17. Defendant denies the averments contained in Paragraph 17 of Plaintiff's Prayer for Relief.

18. Defendant denies the averments contained in Paragraph 18 of Plaintiff's
Prayer for Relief.

19. Defendant denies the averments contained in Paragraph 19 of Plaintiff's Prayer for Relief.

AFFIRMATIVE DEFENSES

FIRST AFFIRMATIVE DEFENSE

The allegations and averments contained in Plaintiff's First Amended Complaint both as a matter of fact and as a matter of law do not set forth a cognizable basis for the maintenance of a class action lawsuit.

SECOND AFFIRMATIVE DEFENSE

At all times denying any negligence, fault or responsibility on Defendant Morris' behalf, Defendant Morris avers that if he is found to be negligent, at fault or otherwise responsible for Plaintiff's injuries or damages, if any there were but without admitting the same, the principles of law and equity relative to comparative negligence and fault require that the proportionate or relative degrees of negligence, fault or responsibility of all parties involved in the incident be ascertained so that this Defendant Morris be liable to Plaintiff, if at all, for no more than an amount equal to this Defendant Morris' proportionate or relative degree of negligence, fault or responsibility, if any there is.

THIRD AFFIRMATIVE DEFENSE

Defendant Morris is informed and believes and thereupon avers that Plaintiff consented to the matters referred to in the First Amended Complaint.

FOURTH AFFIRMATIVE DEFENSE

Plaintiff's First Amended Complaint fails to state a claim upon which relief can be granted in favor of Plaintiff or against Defendant Morris.

FIFTH AFFIRMATIVE DEFENSE

Defendant Morris is informed and believes and thereupon avers that Plaintiff failed to mitigate Plaintiff's losses and damages, if any there were.

SIXTH AFFIRMATIVE DEFENSE

Defendant Morris is informed and believes that the Plaintiff failed to plead her
claims with the requisite degree of specificity.

SEVENTH AFFIRMATIVE DEFENSE

Defendant Morris at all times acted in good faith.

EIGHTH AFFIRMATIVE DEFENSE

Defendant Morris allege that because the First Amended Complaint herein is couched in conclusionary terms, Defendant Morris cannot fully anticipate all affirmative defenses that may be applicable to the within action. Accordingly, the right to assert additional affirmative defenses, if and to the extent that such affirmative defenses are applicable, is hereby reserved.

AFFIRMATION: The undersigned does hereby affirm that this document does not contain the social security number of any person.

DATED this 7th day of February, 2019.

ERICKSON, THORPE & SWAINSTON, LTD

By: /s/ Rebecca Bruch

REBECCA BRUCH, ESQ. (SBN7289)

99 West Arroyo Street
Reno, Nevada 89509
CERTIFICATE OF SERVICE

I certify that I am an employee of ERICKSON, THORPE & SWAINSTON, LTD.,
99 West Arroyo Street, Reno, Nevada 89509; over the age of 18 years, and not a party to
the within action; that I served a copy of the foregoing document via electronic service to
the following recipients:

Mark R. Thierman, Esq.
Joshua D. Buck, Esq.
Leah L. Jones, Esq.
THIERMAN BUCK, LLP
7287 Lakeside Drive
Reno, NV 89511
mark@thiermanbuck.com
josh@thiermanbuck.com
leah@thiermanbuck.com

Dated this 7th day of February, 2019.

/s/ Jennifer Jacobsen
Jennifer Jacobsen
Introduction: I keep telling the Board and the public that I VGID staff exist to prey upon local property owners. Like a predator preying upon fresh meat, to financially support over compensated and over benefited senior staff who oversee an unbelievable nearly 1,000 fellow public employee colleagues. First, I VGID assesses and levies local property owners its own ad valorem tax, in addition to the ad valorem tax Washoe County assesses and levies. Second, I VGID assesses local property/dwelling unit owners an invalid special tax it disingenuously and artfully labels Beach ("BFF") and/or Recreation ("RFF") Facility "Fees." Third, I VGID compels all inhabitants of Incline Village/Crystal Bay who generate solid waste to pay another invalid tax (which is passed onto solid waste customers by Waste-Management) assessed at 10% of a customer's solid waste bill; one which it disingenuously and artfully labels a "fee." Fourth, notwithstanding local property/dwelling unit owners are already involuntarily financially supporting the District’s commercially operated money losing recreational

1 Go to https://transparentnevada.com/salaries/2017/incline-village-general-improvement-district/.

2 NRS 318.170(1)(b) "compel(s) all owners of inhabited property in the district to use the district’s system for the collection and disposal of sewage, garbage and other refuse, either as to liquid wastes, or solid wastes, or both liquid wastes and solid wastes."

3 Although it should be obvious that I VGID’s franchise fee is incorporated into Waste Management’s fee schedule as one of its cost elements, ¶11.2(b) at page 12 of the solid waste franchise agreement provides further evidence that this fee is passed on to rate payers: “if the District increase(s) the Franchise Fee or imposes any other fee during (the term of) this Franchise...the rates set forth...shall be adjusted” by the amount of the increase. This page, together with an asterisk next to the language which provides for the passing on of this increase, is attached as Exhibit “A” to this written statement.

4 See ¶12.1 which appears at page 13 of solid waste franchise agreement between I VGID/Reno Disposal Co. dba Incline Sanitation Co. aka Waste-Management [the "solid waste franchise agreement" (https://www.yourtahoeplace.com/uploads/pdf-ivgid/General_Business_Item_G.3._-__Franchise_Agreement_July72016.pdf)]. This page, together with an asterisk next to the language which provides for this franchise fee, is attached as Exhibit “B” to this written statement.

5 The RFF represents the difference between revenues and expenses assigned by staff (whether or not the assignment is proper) to “recreation” in the District’s Community Services Special Revenue Fund [see pages 27-28 of the current fiscal year’s budget (https://www.yourtahoeplace.com/uploads/pdf-ivgid/IVGID_Annual_Budget_FY2018-19.pdf) (the “2018-19 budget”)]. Here $21,309,849 of budgeted revenues (including $5,588,050 of RFFs) plus $2,601,540 of accumulated funds on deposit (the difference between a beginning fund balance of $11,515,351 and an ending fund balance of $8,913,811) minus $23,911,389 of budgeted expenses (these pages are attached as Exhibit “C” to this written statement). Remove the RFF subsidy and budgeted expenses exceed revenues by $5,588,050 to the penny! Similarly, the BFF represents the difference between revenues and expenses assigned by staff
business enterprises with their ad valorem taxes and the RFF/BFF, they are required to pay “user fees” (just like the world’s tourists who neither pay ad valorem taxes nor the RFF/BFF to IVGID) to actually access and use those recreational facilities and the services they offer. And now we have evidence that IVGID staff are using preferential, discriminatory and unlawful⁶ water and sewer rates local residents are compelled to pay⁷ to further subsidize the District’s money losing⁵ commercially operated recreational business enterprises. And that’s the purpose of this written statement.

Rather Than to IVGID’s Money-Losing Commercially Operated Business Enterprises, “a City’s First Duty is to its...Inhabitants Who...Have a Preferred Claim to the Benefits Resulting From Public Ownership”⁷ of Their Water and Sewer Systems: At the Board’s January 23, 2019 meeting IVGID’s Director of Public Works, Joe Pomroy, presented his annual water/sewer rate study. At pages 20-21 of the materials he prepared in anticipation of that meeting⁸, Mr. Pomroy told the Board and the public:

“The American Water Works Association (“AWWA”) has (a)...manual on Principles of Water Rates, Fees, and Charges⁷ (“the AWWA Manual” which was)...first written in 1954...(and) developed by industry experts over decades using the best practices that have been implemented in the industry (which)...assists all water agencies in developing and implementing rate structures...The District has a long history (25 plus years) of using the principles in this AWWA Manual for determining the type of rate structure...we have...The rate structure utilized by the District is (allegedly) a best practice supported by the AWWA and...similar to water rate structures across the United States.”

Given the AWWA Manual expressly instructs that when it comes to water/sewer rates a city’s first duty is to its residential customers who have a preferred claim as to benefits⁷, if anyone should benefit from IVGID’s ownership of Incline Village’s/Crystal Bay’s public water and sewer systems, it should be the residential user rather than IVGID’s money losing⁵ commercially operated recreational businesses such as Diamond Peak and IVGID’s two golf courses! Yet as the Board and the public will

(whether or not the assignment is proper) to the “beaches” in the District’s Beach Special Revenue Fund (see page 29 of the 2018-19 budget). Here $2,334,625 of budgeted revenues (including $969,500 of BFFs) minus $2,287,060 of budgeted expenses plus $47,565 of accumulated funds on deposit [the difference between a beginning fund balance of $1,444,497 and an ending fund balance of $1,492,062 (this page is attached as Exhibit “D” to this written statement)]. Remove the BFF subsidy and budgeted expenses exceed revenues by $969,500, to the penny! Translation: the RFF/BFF are direct subsidies for staffs’ overspending budgeted to “recreation” and “the beaches.”

⁶ See NRS 704.040(2) which makes “every unjust and unreasonable charge for service of a public utility...unlawful.”


see, staff have created preferential and discriminatory utility rates for itself which are subsidized by those who are supposed to be entitled to the benefit of public ownership; i.e., the residential user.

**What Are the Monthly Water Rates the Median Residential Customer Pays?** A base fee of $11.23, a water capital improvement charge (“CIC”) of $14.80, an administrative service charge of $3.76, a variable water consumption charge of $1.50/1,000 gallons of use, an excess water charge\(^9\) [“that portion of the monthly billing (allegedly to pay (the) excess costs of supplying water above baseline amounts”\(^9\)] of $2.43 or $3.73 once more than 20,000 gallons are used in a billing period\(^11\), and a $1.50 defensible space charge.

**What Difference Do These Numbers Make if They Represent “Average” or Median Rates?**
Given I don’t believe the median residential customer uses 72,000 gallons of water per year, and now I have provided evidence that neither do staff\(^9\), what difference does the distinction make? Insofar as the comparisons I am about to make, A BIG DIFFERENCE!

---

\(^9\) Who is “the median residential water customer?” Although I don’t necessarily agree, the latest (February 2019) “IVGID Public Works News(letter)” tells rate payers that this is the water customer who uses 72,000 gallons annually (6,000 gallons/month). The first page of this newsletter together with an asterisk next to the representation is attached as Exhibit “E” to this written statement.

But as is typically the case with IVGID staff, they speak out of both sides of their mouths, and oftentimes, both sides are not the same. Attached as Exhibit “L” to this written statement is page 23 from the 1/23/2019 Board packet. I have placed an asterisk next to the following: “the following table provides the average monthly water and sewer utility bill for *our average residential user* (72,000 gallons water use per year).

Attached as Exhibit “M” to this written statement are copies of my utility bills for the period January 19-February 18, 2019 and February 19-March 18, 2019. I have placed asterisks next to the following language: “consumption for *(the)* median single family user during *(the)* current month: 2,342” and “1,912,” respectively.

So is the residential customer’s use of 6,000 gallons of water per month the average, or the median? Or is it neither because in reality, the residential customer’s use of 2,342 gallons (at least between mid-January and mid-February) or 1,912 gallons (at least between mid-February and mid-March) is really the median?


\(^11\) Each 1,000 gallons in excess of 20,000 gallons is charged $2.43 (62% more than the base charge) up to 60,000 gallons. Thereafter, each 1,000 gallons is charged $3.73 (148.67% more than the base charge).
First of all, does the reader understand the difference between the two? Do staff? Insofar as the latter is concerned, assuming they do understand the difference, again we have evidence of intentional staff wrongdoing (attempting to confuse the reader into believing the two are the same).

**What is the Average?** In this context we take the total amount of water used in a monthly billing period, and divide it by the total number of residential users. Given IVGID tells us there are 8,058 users\(^\text{12}\), at an average of 6,000 gallons of water use per month for each user, the total amount of water used would be 48,348,000 gallons. And 6,000 gallons per residential user would be the average.

**What is the Median?** In this context we take the mid-point number of users where half use more than 6,000 gallons/month, and half use less. Typically this number will be higher than the average, especially where there are a high number of higher than the median use. How much higher?

**What Are the Monthly Water Rates IVGID’s Golf Courses and Diamond Peak Pay?** The very same rates the median residential customer pays with the following two exceptions. First, IVGID’s recreational facilities are granted an exemption from paying excess water charges\(^\text{13}\). Second, their water CICs are based upon the diameter of their water meters or capacity to deliver “x” amount of water within “y” amount of time\(^\text{14}\). Therefore, if these facilities have a:

1. 3” water meter, they are assigned a CAF of 10.00, and pay 10 times the water CIC the residential customer pays\(^\text{15}\);

2. 4” water meter, they are assigned a CAF of 16.67, and pay 16.67 times the water CIC the residential customer pays; and,

3. 10” water meter, they are assigned a CAF of 76.65, and pay 76.65 times the water CIC the residential customer pays.

---

\(^\text{12}\) Attached and marked as Exhibit “N” to this written statement is page 87 from IVGID’s 2015-16 Budget (https://www.yourtahoeplace.com/uploads/pdf-ivgid/2015-2016_Budget_Book.pdf). There I have placed an asterisk next to staffs’ representation there are approximately 8,058 water users.

\(^\text{13}\) See ¶2.40 at page 13 of the water ordinance. The “Public Service Recreation” exemption which exempts “accounts where the primary irrigation water use is for outdoor parks and recreation accessible to the public...[such as] parks and recreation facilities, golf courses, snowmaking, and school playgrounds and fields...[are exempted from paying] excess water charges.”

\(^\text{14}\) This formula is labeled a “Capacity Adjustment Factor” [“CAF” (see ¶2.12 at pages 9-10 of the water ordinance)]. The CAF ranges from 1.00 for residential customers to 76.65 for commercial customers with a 10” diameter water meter (see Exhibit “H” below).

\(^\text{15}\) See page 47 of the water ordinance which sets forth the CAF and multiplication factor assigned to the diameter a water customer’s water meter. This page is attached as Exhibit “H” to this written statement.
Let’s Examine One Select Month’s Worth of Water Charges Billed to IVGID’s Two Golf Courses for Irrigation Purposes, and Diamond Peak for Man Made Snowmaking Purposes: It has taken some effort, however, I have obtained copies of water bills for the meters delivering water at IVGID’s two golf courses and Diamond Peak. So the Board and the public can see what I see, I have attached the following bills for a single month’s usage, which are collectively marked as Exhibit “F” to this written statement:

1. **Championship Golf Course:** 5th, 7th, 10th, and 15th Tees, plus the driving range;
2. **Mountain Golf Course:** 5th, 12th and 14th Tees; and,
3. **Diamond Peak:** Snowmaking.

**What Do These Monthly Water Bills Show:**

1. **Championship Golf Course:**
   
   a) 5th Tee – 3,684,800 gallons of water usage, no excess water charges, a 4” diameter water meter\(^{16}\), a CAF of 16.67, a CIC of $246.72, and a total water bill of $5,737.93;
   
   b) 7th Tee – 2,588,200 gallons of water usage, no excess water charges, a 4” diameter water meter\(^{16}\), a CAF of 16.67, a CIC of $246.72, and a total water bill of $3,960.73;
   
   c) 10th Tee – 4,152,800 gallons of water usage, no excess water charges, a 4” diameter water meter\(^{16}\), a CAF of 16.67, a CIC of $246.72, and a total water bill of $5,209.78;
   
   d) 15th Tee – 3,313,600 gallons of water usage, no excess water charges, a 4” diameter water meter\(^{16}\), a CAF of 16.67, a CIC of $246.72, and a total water bill of $5,056.93; and,
   
   e) Driving Range – 844,000 gallons of water usage, no excess water charges, a 3” diameter water meter\(^{17}\), a CAF of 10.00, a CIC of $112.30, and a total water bill of $1,433.01.

2. **Mountain Golf Course:**
   
   a) 5th Tee – 1,729,800 gallons of water usage, no excess water charges, a 4” diameter water meter\(^{16}\), a CAF of 16.67, a CIC of $246.72, and a total water bill of $2,892.28;

---

\(^{16}\) This fact can be determined from Exhibit “H.” Divide the monthly water CIC charge (here $246.72) by the base charge (here $11.23) and one gets a CAF of 16.67 which corresponds to a 4” water meter.

\(^{17}\) This fact can be determined from Exhibit “H” as well. Divide the monthly water CIC charge (here $112.30) by the base charge (here $11.23) and one gets a CAF of 10.00 which corresponds to a 3” water meter.
b) 12th Tee – 2,800,900 gallons of water usage, no excess water charges, a 4" diameter water meter\(^\text{16}\), a CAF of 16.67, a CIC of $246.72, and a total water bill of $4,505.08; and,

c) 14th Tees – 901,500 gallons of water usage, no excess water charges, a 4" diameter water meter\(^\text{16}\), a CAF of 16.67, a CIC of $246.72, and a total water bill of $1,656.73.

3. Diamond Peak:

   a) Snowmaking – 22,906,060 gallons of water usage, no excess water charges, a 10" diameter water meter\(^\text{18}\), a CAF of 76.65, a CIC of $1,109.13, and a total water bill of $35,143.94.

So What Are We Talking About Combined For This One Month’s Worth of Water Use for just these nine meters? 42,921,660 gallons of water usage, no excess water charges, CICs of $2,655.66, and a total water bill of $65,596.41. Let’s put these numbers into perspective insofar as just these nine water meters are concerned:

A1. IVGID used 7,153.61 times the water used by the median residential customer, assuming the median residential customer used 6,000 gallons\(^\text{9}\);

2. Given IVGID reports that “the District reads approximately 4,450 meters...covering...8,058...water...customers,”\(^\text{12}\) from just these nine meters, IVGID in essence used as much water as 89% of all other users in our community;

3. Yet IVGID charged itself 179.44 times the CIC ($14.80) paid by the residential customer;

4. And it only paid $1,780.58 ($65,596.41) times the amount ($36.84\(^\text{19}\)) the median residential customer paid;

5. Since 7,153.61 times the CIC paid by the residential customer totals $105,873.43, IVGID proportionately under paid itself $103,207.77; and,

6. Since 7,153.61 times the bill the median residential customer paid totals $263,538.99, IVGID proportionately under paid itself $197,942.58.

And Remember, This is For But One Month’s Worth of Water Use to a Very Limited Number of Water Meters!

---

\(^\text{16}\) This fact can be determined from Exhibit “H” as well. Divide the monthly water CIC charge (here $1,109.13) by the base charge (here $11.23) and one gets a CAF of 76.65 which corresponds to a 10" water meter.

\(^\text{19}\) See page 14 of the 1/23/2019 Board packet.
Did IVGID Use More Water For its Recreational Facilities Than the Numbers Shared Above? YES! These numbers have nothing to do with IVGID’s other commercially operated businesses (like its restaurants, food courts, catering/food & beverage, the beaches, Village Green, Preston Field, Incline Park, etc.). And when these other numbers are factored in, an already unfair, unjust, and unreasonable rate structure is made even more unfair, unjust and unreasonable.

If IVGID Didn’t Have its Public Service Recreation Exemption it Has Created For Itself, How Much More in Excess Water Charges Would Each of These Nine Meters Have Been Charged?

1. **Championship Golf Course:**
   a) 5th Tee – $25,414.16;
   b) 7th Tee – $27,859.57;
   c) 10th Tee – $24,370.52;
   d) 15th Tee – $26,241.93; and,
   e) Driving Range – $13,515.62.

2. **Mountain Golf Course:**
   a) 5th Tee – $29,773.81;
   b) 12th Tee – $27,385.25; and,
   c) 14th Tees – $31,620.92.

3. **Diamond Peak:**
   a) Snowmaking – $112,075.00.

Combined, What Are We Talking About in Under Charges For Just One Month’s Worth of Excess Water Use? A whopping $318,256.77!

If IVGID Were Paying CICs For These Meters Based Upon its Actual Proportional Water Use Compared to That of the Median Residential Customer, How Much More in CICs Would Each of These Nine Meters Have Be Charged?

1. **Championship Golf Course:**
   a) 5th Tee – $16,795.48;
   b) 7th Tee – $11,723.71;
   c) 10th Tee – $18,959.98;
   d) 15th Tee – $15,078.68; and,
e) Driving Range – $3,791.20.

2. Mountain Golf Course:
   a) 5th Tee – $7,753.61;
   b) 12th Tee – $12,707.44; and,
   c) 14th Tees – $3,922.72.

3. Diamond Peak:

Combined, What Are We Talking About in Under Charges For Just One Month’s Worth of Water CIC Charges? Another whopping $195,857.02!

The District’s Infrastructure Requirements For a Delivery and Storage System For Itself Are Massive Compared to Those For the Median Residential Customer: I presented a written statement on this very subject at the Board’s January 23, 2019 meeting. That statement\(^20\) (which is attached as Exhibit “A” to the minutes of that meeting) reads as follows:

“Snowmaking can demand as much as 3,000 gallons a minute, which is equal to 50% of the rate we are able to pump water out of the Lake...Diamond Peak can use from 20 to 40 million gallons of water for snowmaking...in a season...During a cold spell this winter, Diamond Peak used nearly 3 million gallons in a 24-hour period (compared to)...4.6 million gallons used community wide.”

In order to accommodate these demands, Diamond Peak requires high capacity “water (storage) tanks...and pumps;” pumps and storage tanks the single family residential customer do not require.

So why spread these capital, maintenance and repair costs (which are unique to this class of customer), over IVGID’s single family residential customers?

Attached as Exhibit “G” to This Written Statement is a Spreadsheet Which Itemizes Each of the Foregoing Numbers So the Reader Can See For Him/Herself Exactly Where They Came From: Now consider this. First, these numbers don’t reflect the sewer rate subsidies the District’s money losing commercially operated recreational business enterprises are realizing. That subject is discussed below. And second, assume for the moment that the monthly water use for the median residential customer were 3,000 gallons rather than the 6,000 gallons upon which all of my proportional projections have been based. It would mean that the real water subsidy being realized by the

District’s money losing commercially operated recreational business enterprises at residential customers’ expense, is double the $421,474.54 indicated!

Contrary to Staff’s Representations, IVGID’s Preferential and Discriminatory Water Rate Structure is Not a Best Practice Supported by the AWWA, Nor is it Similar to Water Rate Structures Across the United States: Page 296 of the AWWA Manual mandates that water “rates must be just... reasonable and bear a rational relationship to a legitimate government interest.” Given IVGID’s water rates to its money losing commercial recreation business enterprises are unreasonably preferential and discriminatory, according to the AWWA Manual, they are unreasonable. Moreover, I know of no other rate structure across the United States which provides for unreasonably preferential and discriminatory rates.

Page 75 of the AWWA Manual goes on to observe that “the ideal solution to developing rates for water utility customers is to assign cost responsibility to each individual customer served and to develop rates that reflect that cost.” In other words, the job of rate making regulators is “to assign costs to individually identified classes of customers in a nondiscriminatory, cost responsive manner so that (those) rates can be designed to closely meet the cost of providing service to such customer classes.” For this reason page 76 of the AWWA Manual instructs that where a water supplier has “customers with individual water-use characteristics, service requirements, or other factors that differentiate them from other customers with regard to cost responsibility...as is often the case for... parks, fields, and golf courses...where such loads are significant in the system...the(y)...should have a separate class designation.” Given “Irrigation is characterized by the relatively high demands it places on the water system...establishment of a separate class designation is warranted (especially) when (as here) separate metering for...irrigation is available.” For this reason page 77 of the AWWA Manual instructs that “the significant demands caused by irrigation can be recognized and reflected in the cost to provide this service.”

Given IVGID’s Grossly Disproportional Water Use, and the Fact its Rate Structure Fails to Recognize a Separate Recreation Business Enterprise Class of Customer, Demonstrates its Utility Rate Structure is Neither a Best Practice Nor Supported by the AWWA.

Are You Starting to Get the Picture?

Unlike Water Rates, Staff Has Created a Preferential and Discriminatory Sewer Rate Structure Which in Not Supported by a Manual Developed by Industry Experts: On February 12, 2019 I made a public records request for “any written materials used by staff[8, similar to the AWWA Manual,] to justify (their) proposed sewer rate” increases. Unbelievably, staffs’ February 14, 2019 response was: “there are no public records to provide.” Given CIC sewer rates are created the same way CIC water

---

21 A copy of this string of e-mails with an asterisk next to staffs’ response is attached as Exhibit “I” to this written statement.
rates are created under the current rate structure, the Board and the public now have evidence that staff have created preferential, disproportional and discriminatory sewer rates which benefit the District’s money losing commercially operated recreation business enterprises at the expense of IVGID’s residential customers. Moreover, this methodology has been created out of thin air!

What Are the Monthly Sewer Rates the Median Residential Customer Pays? A sewer CIC charge of $30.70, an administrative service charge of $3.76, and a variable water consumption charge of $3.10/1,000 gallons of water use.

What Are the Monthly Sewer Rates Diamond Peak’s Base Lodge Pays? The very same rates the residential customer pays with one notable exception: the sewer CIC is based upon the diameter of its water meter or capacity to deliver “x” amount of water within “y” amount of time; its CAF. Given the Base Lodge’s water meter has a 2” water meter, its CAF is 5.33, and it pays 5.33 times the sewer CIC the residential customer pays. This is grossly unfair.

Let’s Examine One Select Month’s Worth of Sewer Charges Billed to Diamond Peak’s Base Lodge: Again, I have obtained copies of sewer bills for Diamond Peak’s Base Lodge. I am suggesting the Board and the public look at the utility bills to this IVGID facility because this is where Diamond Peak’s bathrooms and food preparation court are housed, and these are the sources for the discharge of sewer effluent into the public’s sewer system. So the Board and the public can see what I see, I have attached the Base Lodge water/sewer bill for the single monthly period of April 18, 2018 through May 18, 2018, as Exhibit “J” to this written statement.

Here we see that the Base Lodge paid a sewer CIC charge that was 5.33 times the sewer CIC charge paid by the median residential customer. Although IVGID uses water consumption to determine sewer variable charges, and here it used 57,130 gallons of water during this month long billing period, I and others I know feel a methodology that pegs sewer use to water consumption is unfair, unjust and unreasonable.

Notwithstanding GM Pinkerton repetitively tells us he is able to determine the number of folks in town based upon the volume of sewer effluent disposed into the public’s sewer system, he doesn’t seem to be able to report the volume of sewer effluent each sewer customer actually disposes into

---

22 In other words, using a CAF system based upon water usage [see page 45 of Ordinance No. 2 (https://www.yourtahoeplace.com/uploads/pdf-public-works/Ordinance_2__2018__Approved_Resolution_1861.pdf) (“the sewer ordinance”)]. A copy of this page is attached as Exhibit “O” to this written statement.

23 This fact can be determined from Exhibit “O.”

24 Divide the monthly sewer base charge by the monthly sewer CIC and one gets a CAF of 5.33 which according to Exhibit “O” corresponds to a 2” water meter.

25 §2.45 at page 15 of the sewer ordinance states that “variable (sewer) cost is calculated based on water use.” Also see the asterisk next to the quoted language on Exhibit “O.”
the public’s sewer system. Instead, staff have come up with an arbitrary determination based upon water usage\textsuperscript{26}. And as I have demonstrated, the diameter of a water meter has little relevance to the volume of sewer effluent each sewer customer discharges into the public’s sewer system.

Consider that most toilets these days use between 1.2-2 gallons of water per flush. Based upon the median residential customer’s alleged use of 6,000 gallons of water per month, this translates into between 3,000-5,000 flushes per month! I dare say that few if any residential customers, especially those who leave their Incline Village/Crystal Bay second/vacation homes vacant for much of the year, flush their toilets this many times in a year (let alone a month). Yet this is the volume of sewer effluent they’re being charged for their variable use of the public’s sewer system\textsuperscript{27}.

Now let’s compare this use to the Diamond Peak Base Lodge where food is prepared and public toilets are used to accommodate the sometimes 5,000 or greater number of visitors who visit Diamond Peak on a busy weekend or holiday day. How many flushes are we talking about now? How much food stuff is being flushed down the drain compared to that of the median residential sewer customer? Is the answer anywhere near the paltry 5.33 times that of the residential customer that the Base Lodge is being charged in sewer CIC charges?

What about the infrastructure improvements required to remove and treat the effluent the Diamond Peak Base Lodge discharges into the public’s sewer system compared to that required for the residential customer? When you start dissecting the basics of staff’s rate structure, it doesn’t take long to come to the conclusion that just like the District’s recreational facility water charges, Diamond Peak’s Base Lodge’s sewer charges are grossly unfair, unjust and unreasonable because they are tied to water use and the CAF.

**The Evidence Suggests That the Staff Pushing These Water/Sewer Rate Increases Are Partial Because They Benefit Personally if Their Proposed Increases Are Approved:** Beginning “with the 2012-13 budget year, Public Works began accumulating $2M per year in savings for the construction of (phase II of) the Effluent Export Project.”\textsuperscript{28} In anticipation, a series of 10% or greater annual single family sewer rate increases were approved by the Board. That approval was in response to Joseph Pomroy’s utility rate study on February 9, 2011. In that study Mr. Pomroy told the Board that “it (wa)s

\textsuperscript{26} Given not all water supplied to a water customer is discharged into the public’s sewer system, what is the relevance of water consumption?

\textsuperscript{27} Notwithstanding, variable sewer charges are capped for residential customers during the months of May-November (see note 2 on Exhibit “O”). During those months “variable sewer cost(s) shall be (based upon) the lesser of...3,000 gallons (or actual)...metered water use.”

\textsuperscript{28} See Joseph Pomroy’s 2017 utility rate study which appears at page 13 of the packet of materials prepared by staff in anticipation of the Board’s February 8, 2017 meeting [“the 2/8/2017 Board packet” (https://www.yourtahoeplace.com/uploads/pdf-lvgid/BOT_Packet_Regular_2-8-2017.pdf)]. This page with an asterisk next to the quoted language is attached as Exhibit “P” to this written statement.
prudent to begin the replacement of (an) additional six miles of pipeline at a cost of $23M over the next ten years,“29 and that sewer rates for single family users would have to increase a whopping 11.5%30! And that commencing in fiscal year 2012-13, the District would begin accumulating $2M annually towards this project31.

It was approximately a year later, just after GM Pinkerton began his tenure with IVGID, that I and others learned that Mr. Pomroy had been awarded a $10,000 merit bonus32 for successfully pushing through this rate increase which started the community down the alleged $2M/year accumulation towards phase II of the effluent pipeline project. This fact prompted me to make a March 16, 2012 public records request “to examine records evidencing bonuses paid to IVGID employees (including Mr. Pomroy) for (their) 2011 work.” And Ms. Herron’s response? Ignore (aka CONCEALMENT). So after allowing several months to lapse, on July 6, 2012 I reiterated my request asking if Ms. Herron intended to make the requested records available for my examination? And her response? Ignore (aka CONCEALMENT)33.

If staff had nothing to hide, the requested records would have been made available for my examination. Because they weren’t, we all have a pretty good idea of what they would have revealed; a $10k bonus to public employee Joseph Pomroy for successfully carrying out what the public has now learned was a ruse34.

Will Mr. Pomroy earn another bonus if his current proposed water/sewer rate increases are approved by our “rubber stamp” board? Will the public be able to learn the truth if he does?

29 See page 3 of the packet of materials prepared by staff in anticipation of the Board’s February 9, 2011 meeting (“the 2/9/2011 Board packet”). Copies of that page along with the following page 4 with an asterisk next to the quoted language are attached as Exhibit “Q” to this written statement.

30 See page 4 of Exhibit “Q” where I have placed an asterisk next to the represented 11.5% increase.

31 At the Board’s February 23, 2011 meeting, Mr. Pomroy submitted a proposed five multi-year capital improvement plan (“CIP”). Page 34 of the Board packet for that meeting included a spread-sheet which evidenced the proposed $2M annual CIP accumulation. A copy of that page with an asterisk next to the proposed annual accumulation is attached as Exhibit “R” to this written statement.

32 Show me another public agency that pays bonuses to its rank and file public employees, for doing nothing more than their public jobs.

33 My e-mail records request which references my earlier March 16, 2012 request is attached as Exhibit “S” to this written statement.

34 See pages 136-154 of the 1/23/2019 Board packet, and 247-248 of the packet of materials prepared by staff in anticipation of the Board’s February 27, 2019 meeting [“the 2/27/2019 Board packet” (https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_2-27-19.pdf)]. There I demonstrate where staff has been invading these accumulations for all sorts of projects unrelated to the project description for phase II of the effluent pipeline project. Thus making the initial representation a ruse.
Regardless of the answers to these questions, when you have someone who is supposed to be conducting a fair and impartial utility rate study, cherry picking data and misrepresenting facts because he/she stands to gain personally if he/she is successful, the study is biased and fundamentally flawed. This is the very reason I and others have asked the Board to hire an independent, unbiased consultant to conduct the public’s utility rate study. And it is the reason why this Board needs to conduct an investigation to learn of the past bonuses Mr. Pomroy has been paid.

And Just So the Public Knows, Three Members of the Board JUST DON’T CARE: On February 28, 2019 I sent the Board copies of some of the water bills I have shared in this written statement along with an e-mail which asked members intervene to end the impermissible preferences and discriminatory rates described above. I asked that rather than listening to the biased, cherry picked presentation by staff, the Board “create a new customer class whose rates are fair with respect to the demands the(ir members) place on the public’s water system.”

The reader can see where I stated that if three members of the Board didn’t “step in and do something...then it (wa)s clear YOU JUST DON’T CARE!”

Have these three Board members stepped in? Is this matter agendized for discussion and possible action as I requested? Since the answers to these questions are no and no, it’s now clear for all to see that these three Board members simply DO NOT CARE! Stated differently, they care more about the costs staff’s money losing5 commercially operated recreational business enterprises which are marketed to the world’s tourists incur, than the disproportional water and sewer costs imposed on local residential rate payers even though as I have demonstrated, it is the latter for whom preferences are supposed to be granted.

Conclusion: If the Board doesn’t take charge and budget so local parcel/dwelling unit owners don’t pay more than what is necessary to make the public’s water and sewer systems for their demands, all its members will be doing is giving GM Pinkerton more money to waste on the garbage he has been wasting it on ever since he came to Incline Village36. That’s not the purpose of our water and sewer rates. And for those parcel/dwelling unit owners who may be reading this written statement, now you know where your water/sewer rates really go because they don’t go to pay for

---

35 A copy of this e-mail with an asterisk next to the quoted language is attached as Exhibit “K” to this written statement. I now make the same request insofar as the sewer CICs IVGID’s commercial business enterprises are charged.

36 Let me provide two examples of that garbage. Do you realize that IVGID spends nearly $50,000 annually on a lobbyist in Washington, D.C.? Do you realize the justification is to obtain federal grants to repair our effluent pipeline when no grant moneys have been generated in more than five years? Do you realize that IVGID spends roughly $10,000 annually for Chairperson Kendra Wong, GM Pinkerton and either Joe Pomroy or Director of Recreation Indra Winquest to lobby our Congressional representatives for these same federal grants? Or maybe excess federal lands which will expand IVGID’s footprint and at the same time the subsidies local property owners/water/sewer customers are compelled to pay.
the actual costs IVGID incurs to make the public’s water and sewer systems available to be used by you.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!
(b) Beginning with the rate adjustment scheduled for July 1, 2020, if the Collector's Return on Revenue for the prior calendar year exceeds fifteen percent (15%), the Collector shall not be entitled to the annual CPI rate adjustment for that year.

(c) Regardless of the actual change in the CPI, the annual CPI rate increase in any year shall not be greater than six percent (6%) nor less than zero percent (0%), unless Collector is not entitled to an annual rate adjustment pursuant to subsection (a) or (b) above.

(d) On or before April 1st of each year, Collector shall notify the District of the rate adjustment allowed under this Section 11.1, and shall provide all reasonable supporting documentation (e.g., statement of operations, CPI calculations, etc.). Submission of the request and supporting documentation is necessary to accommodate the District's review of the adjustment and the District's adoption of its annual budget on or about the third Thursday of May.

11.2. Other Rate Adjustments. In addition to the annual rate adjustment in Section 11.1 above, the rates set forth in Exhibit B shall be adjusted at any time during the Term of the Franchise for the following reasons:

(a) If the District requires changes in the Services or the addition of new services that result in increases in cost to Collector; or

(b) If the District increase the Franchise Fee or imposes any other fee during this Franchise.

Rate Review. Notwithstanding the rates established in Exhibit B or the annual adjustments under Section 11.1 above, the Parties agree that the Return on Revenue is nine percent (9%) for the Services provided under this Franchise. In establishing rates, the District and Collector agree:

(c) The District may, from time to time, revise the Rate Schedule, Exhibit B. The District or the Collector may request a rate revision whenever a significant change in revenue or expenses occurs or is anticipated. In the event the Collector requests a rate revision, the District shall consider such request in good faith and shall act upon the request without undue delay, but in no case later than one hundred twenty (120) days from the date the request was made, or the date the Collector provided the District with all documentation necessary to substantiate the Collector's request for a rate revision, whichever is later.

(d) In determining reasonable rates, the District shall consider all relevant factors, and the Parties shall work in good faith to develop and adjust rates, as necessary, to allow Collector to earn the Return on Revenue. The District agrees that it shall not unreasonably withhold its consent or unreasonably delay a rate review request submitted by Collector. Rates shall be adequate to provide a Return on Revenue equal to nine percent (9%); however, the District shall not be required to adjust rates if the Return on Revenue in the projected year is expected to exceed nine percent (9%). The Parties agree that the 9% Return on Revenue is considered sufficient to reflect the level
EXHIBIT “B”
of business risk assumed by the Collector, to allow investment in equipment, and to
ensure quality collection Service under normal operating conditions. The Collector
shall ensure that any transactions or agreements entered into between itself and any
parent company, subsidiary, sister company, or any other entity partially or entirely
under common ownership with the Collector are commercially reasonable.

12. FRANCHISE FEE.

12.1. From the Effective Date, Collector shall pay to the District in quarterly installments,
a franchise fee ("Franchise Fee") in an amount equal to ten percent (10%) of Gross Receipts
generated from Customers for the Services rendered hereunder. Notwithstanding anything
herein to the contrary, it is understood and agreed that Gross Receipts for purposes of calculating
the Franchise Fee hereunder shall not include any revenue received by Collector from the sale or
other disposition of Recyclables collected hereunder.

12.2. Collector shall submit payment of the Franchise Fee to the District, along with
supporting documentation confirming the Collector's Gross Receipts, quarterly on or before the
20th day of the month following the end of the preceding calendar quarter. By way of example,
the Franchise Fee for Quarter 1 shall be due on April 20th.

13. RECORD KEEPING. During the term of this Franchise, Collector shall keep full, true, and
correct books, records, and accounts, establishing the identity and number of Customers served by it,
and the amount of its monthly Gross Receipts, which said books, records, and accounts shall at all times
be open to inspection at the Collector's local office by the duly authorized representatives of the District
during regular business hours. Further, Collector shall furnish to the District monthly a statement of all
Gross Receipts actually received from Customers for the Services provided herein. Collector shall
provide an annual statement of operations to the District by April 20th of each year.

14. BILLING PROCEDURES. Collector shall be entitled to adopt and enforce the following
billing procedures:

14.1. Collector shall bill Residential Customers quarterly in advance. Such charges are
due and payable on the first day of each billing period. The bill or charges for Service shall be
delinquent if not fully paid on the last day of each quarterly period. All charges which become
delinquent shall be subject to a penalty of ten percent (10%) for the first month. Customers’
payments shall be applied to their oldest balances due including penalties first.

14.2. Commercial Customers (except Drop Box Customers) shall be billed in advance on
a monthly basis. The Collector shall bill for Drop Box Service in arrears on a monthly basis.
The bill or charge for Service is due and payable on the first day of each billing period and shall
be delinquent if not fully paid within thirty (30) days of the date of the invoice.

14.3. Collector shall be entitled to charge a late fee of one and one-half percent (1.5%)
per month or $3.00 per month, whichever is more, until paid, on all Commercial Customer
account balances that are not paid within thirty (30) days of the date of invoice for Commercial
and Drop Box Customers.

14.4. To the extent provided for in NRS 444.520, all unpaid charges for Services shall
constitute a debt and obligation of the owner of the real property where the Service was
provided, as shown on the records of the Washoe County Assessor's Office. Any owner of real
property, as shown on the Washoe County Assessor's records, where Services are provided may
EXHIBIT “C”
<table>
<thead>
<tr>
<th>EXPENDITURES</th>
<th>(1) ACTUAL PRIOR YEAR ENDING 6/30/2017</th>
<th>(2) ESTIMATED CURRENT YEAR ENDING 6/30/2018</th>
<th>(3) TENTATIVE APPROVED</th>
<th>(4) FINAL APPROVED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Championship Golf Course</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Wages</td>
<td>1,347,782</td>
<td>1,405,000</td>
<td>1,493,437</td>
<td>1,493,437</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>387,513</td>
<td>395,000</td>
<td>451,909</td>
<td>451,909</td>
</tr>
<tr>
<td>Services and Supplies</td>
<td>2,023,887</td>
<td>2,677,000</td>
<td>2,224,513</td>
<td>2,224,513</td>
</tr>
<tr>
<td>Subtotal Championship Golf Course</td>
<td>3,944,772</td>
<td>3,767,000</td>
<td>4,169,920</td>
<td>4,175,295</td>
</tr>
<tr>
<td>Mountain Golf Course</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Wages</td>
<td>390,994</td>
<td>365,000</td>
<td>382,111</td>
<td>382,111</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>301,250</td>
<td>132,000</td>
<td>115,492</td>
<td>115,492</td>
</tr>
<tr>
<td>Services and Supplies</td>
<td>329,985</td>
<td>555,000</td>
<td>524,762</td>
<td>522,352</td>
</tr>
<tr>
<td>Subtotal Mountain Golf Course</td>
<td>1,021,239</td>
<td>1,052,000</td>
<td>1,022,335</td>
<td>1,019,253</td>
</tr>
<tr>
<td>Facilities (Chabotou and Aspen Grove)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Wages</td>
<td>87,544</td>
<td>80,000</td>
<td>85,983</td>
<td>85,983</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>46,548</td>
<td>40,000</td>
<td>43,166</td>
<td>43,166</td>
</tr>
<tr>
<td>Services and Supplies</td>
<td>365,457</td>
<td>350,000</td>
<td>416,878</td>
<td>418,078</td>
</tr>
<tr>
<td>Subtotal Facilities</td>
<td>499,577</td>
<td>470,000</td>
<td>546,022</td>
<td>547,202</td>
</tr>
<tr>
<td>Sid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Wages</td>
<td>2,336,041</td>
<td>2,795,000</td>
<td>2,897,877</td>
<td>2,897,877</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>764,107</td>
<td>875,000</td>
<td>976,691</td>
<td>976,691</td>
</tr>
<tr>
<td>Services and Supplies</td>
<td>3,403,140</td>
<td>3,435,000</td>
<td>3,552,144</td>
<td>3,557,144</td>
</tr>
<tr>
<td>Subtotal Sid</td>
<td>6,403,288</td>
<td>6,105,000</td>
<td>6,426,612</td>
<td>6,421,612</td>
</tr>
<tr>
<td>Community Programming (Including Rec Center)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Wages</td>
<td>1,063,697</td>
<td>1,080,000</td>
<td>1,083,092</td>
<td>1,082,992</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>318,231</td>
<td>300,000</td>
<td>346,365</td>
<td>347,924</td>
</tr>
<tr>
<td>Services and Supplies</td>
<td>854,079</td>
<td>880,000</td>
<td>911,927</td>
<td>909,827</td>
</tr>
<tr>
<td>Subtotal Community Programming</td>
<td>2,225,997</td>
<td>2,360,000</td>
<td>2,345,987</td>
<td>2,352,743</td>
</tr>
<tr>
<td>Parks</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Wages</td>
<td>311,438</td>
<td>325,000</td>
<td>328,315</td>
<td>328,315</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>86,977</td>
<td>80,000</td>
<td>80,461</td>
<td>80,461</td>
</tr>
<tr>
<td>Services and Supplies</td>
<td>426,500</td>
<td>422,060</td>
<td>440,157</td>
<td>439,357</td>
</tr>
<tr>
<td>Subtotal Parks</td>
<td>821,915</td>
<td>827,060</td>
<td>848,933</td>
<td>848,132</td>
</tr>
<tr>
<td>Tennis</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Wages</td>
<td>142,399</td>
<td>120,000</td>
<td>136,105</td>
<td>135,105</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>24,178</td>
<td>22,000</td>
<td>27,535</td>
<td>27,535</td>
</tr>
<tr>
<td>Services and Supplies</td>
<td>97,782</td>
<td>95,000</td>
<td>105,855</td>
<td>105,855</td>
</tr>
<tr>
<td>Subtotal Tennis</td>
<td>262,469</td>
<td>237,000</td>
<td>269,495</td>
<td>263,695</td>
</tr>
<tr>
<td>Community Services Administration</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Wages</td>
<td>144,188</td>
<td>148,000</td>
<td>122,353</td>
<td>122,353</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>45,185</td>
<td>48,000</td>
<td>43,266</td>
<td>43,266</td>
</tr>
<tr>
<td>Services and Supplies</td>
<td>184,386</td>
<td>218,500</td>
<td>211,678</td>
<td>209,391</td>
</tr>
<tr>
<td>Subtotal Comm. Serv. Administration</td>
<td>354,779</td>
<td>418,500</td>
<td>377,397</td>
<td>375,000</td>
</tr>
<tr>
<td>Subtotal</td>
<td>15,919,999</td>
<td>16,284,500</td>
<td>16,918,102</td>
<td>16,930,214</td>
</tr>
<tr>
<td>OTHER USES</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CONTINGENCY (not to exceed 3% of Total Expenditures)</td>
<td>-</td>
<td>-</td>
<td>500,000</td>
<td>500,000</td>
</tr>
<tr>
<td>Transfers Out (Schedule T)</td>
<td>5,128,448</td>
<td>4,015,060</td>
<td>6,280,060</td>
<td>6,481,776</td>
</tr>
<tr>
<td>ENDING FUND BALANCE</td>
<td>10,320,141</td>
<td>11,515,351</td>
<td>8,149,003</td>
<td>8,913,811</td>
</tr>
<tr>
<td>TOTAL COMMITMENTS &amp; FUND BALANCE</td>
<td>31,358,548</td>
<td>31,834,911</td>
<td>31,857,185</td>
<td>32,825,203</td>
</tr>
</tbody>
</table>

Inline Village General Improvement District
Community Services Special Revenue Fund

FORM 4404LGF Last Revised 12/6/2017

Page 22 Schedule B-13

487
## REVENUES

<table>
<thead>
<tr>
<th></th>
<th>(1) ACTUAL PRIOR YEAR ENDING 09/30/2017</th>
<th>(2) ESTIMATED CURRENT YEAR ENDING 09/30/2018</th>
<th>(3) TENTATIVE APPROVED</th>
<th>(4) FINAL APPROVED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charges for Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Championship Golf Course</td>
<td>3,542,463</td>
<td>3,789,000</td>
<td>3,922,444</td>
<td>3,922,444</td>
</tr>
<tr>
<td>Mountain Golf Course</td>
<td>627,986</td>
<td>670,000</td>
<td>660,926</td>
<td>660,926</td>
</tr>
<tr>
<td>Facilities (Chateau &amp; Aspen Grove)</td>
<td>387,701</td>
<td>385,000</td>
<td>409,900</td>
<td>409,900</td>
</tr>
<tr>
<td>Ski</td>
<td>11,328,968</td>
<td>9,129,000</td>
<td>8,916,000</td>
<td>8,916,000</td>
</tr>
<tr>
<td>Community Programming</td>
<td>1,274,149</td>
<td>1,200,000</td>
<td>1,294,414</td>
<td>1,305,414</td>
</tr>
<tr>
<td>Parks</td>
<td>45,430</td>
<td>94,000</td>
<td>67,740</td>
<td>67,740</td>
</tr>
<tr>
<td>Tennis</td>
<td>108,577</td>
<td>155,000</td>
<td>159,760</td>
<td>159,760</td>
</tr>
<tr>
<td>Recreation Administration</td>
<td>573,542</td>
<td>570,000</td>
<td>693,860</td>
<td>619,800</td>
</tr>
<tr>
<td>Facility Fee</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Championship Golf Course</td>
<td>678,523</td>
<td>794,818</td>
<td>764,818</td>
<td>854,818</td>
</tr>
<tr>
<td>Mountain Golf Course</td>
<td>441,889</td>
<td>508,028</td>
<td>508,028</td>
<td>517,230</td>
</tr>
<tr>
<td>Facilities (Chateau &amp; Aspen Grove)</td>
<td>486,523</td>
<td>458,664</td>
<td>458,904</td>
<td>467,904</td>
</tr>
<tr>
<td>Ski</td>
<td>603,862</td>
<td>291,238</td>
<td>221,238</td>
<td>238,090</td>
</tr>
<tr>
<td>Community Programming</td>
<td>1,294,588</td>
<td>1,294,588</td>
<td>1,305,380</td>
<td>1,305,380</td>
</tr>
<tr>
<td>Parks</td>
<td>851,601</td>
<td>658,664</td>
<td>958,858</td>
<td>888,760</td>
</tr>
<tr>
<td>Tennis</td>
<td>147,073</td>
<td>165,280</td>
<td>185,280</td>
<td>164,200</td>
</tr>
<tr>
<td>Recreation Administration</td>
<td>1,305,765</td>
<td>1,376,392</td>
<td>1,376,392</td>
<td>1,321,810</td>
</tr>
<tr>
<td>Other miscellaneous</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Grants</td>
<td>17,000</td>
<td>17,000</td>
<td>17,000</td>
<td>17,000</td>
</tr>
<tr>
<td>Investment Income</td>
<td>23,860</td>
<td>32,000</td>
<td>30,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Sale of Assets</td>
<td>6,024</td>
<td>40,000</td>
<td>-</td>
<td>38,824</td>
</tr>
<tr>
<td>Interfund services (green spaces)</td>
<td>97,711</td>
<td>72,000</td>
<td>77,900</td>
<td>77,920</td>
</tr>
<tr>
<td>Intergovernmental (IV high school funds)</td>
<td>22,233</td>
<td>26,000</td>
<td>21,000</td>
<td>21,000</td>
</tr>
<tr>
<td>Miscellaneous other</td>
<td>3,242</td>
<td></td>
<td>-</td>
<td>3,242</td>
</tr>
<tr>
<td>Miscellaneous - Call Tower Losses</td>
<td>104,576</td>
<td>104,000</td>
<td>196,482</td>
<td>196,482</td>
</tr>
<tr>
<td>Subtotal</td>
<td>23,113,720</td>
<td>20,859,776</td>
<td>21,062,684</td>
<td>21,087,974</td>
</tr>
</tbody>
</table>

### OTHER FINANCING SOURCES (specify)

| Transfers in (Schedule 1) | 400,000 | 645,000 | - | 241,873 |

### BEGINNING FUND BALANCE

| Prior Period Adjustments | | | | |
| Residual Equity Transfers | | | | |

### TOTAL BEGINNING FUND BALANCE

| 7,854,828 | 10,320,141 | 10,794,471 | 11,515,351 |

### TOTAL AVAILABLE RESOURCES

| 31,285,548 | 31,824,911 | 31,857,165 | 32,825,200 |

---

Incline Village General Improvement District
Community Services Special Revenue Fund

FORM 4404/LGF
Last Revised 12/6/2017

Page 21
Schedule B-12

488
EXHIBIT "D"
<table>
<thead>
<tr>
<th></th>
<th>(1) ACTUAL PRIOR YEAR ENDING 06/30/2017</th>
<th>(2) ESTIMATED CURRENT YEAR ENDING 06/30/2018</th>
<th>(3) TENTATIVE APPROVED</th>
<th>(4) FINAL APPROVED</th>
</tr>
</thead>
<tbody>
<tr>
<td>REVENUES</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charges for Services</td>
<td>1,055,015</td>
<td>1,222,000</td>
<td>1,362,200</td>
<td>1,382,000</td>
</tr>
<tr>
<td>Faculty Fees</td>
<td>726,337</td>
<td>962,500</td>
<td>965,500</td>
<td>965,500</td>
</tr>
<tr>
<td>Investment Income</td>
<td>6,078</td>
<td>15,000</td>
<td>13,500</td>
<td>13,500</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>1,848,430</td>
<td>2,264,500</td>
<td>2,345,200</td>
<td>2,341,000</td>
</tr>
<tr>
<td>OTHER FINANCING SOURCES</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Transfers in (Schedule T)</td>
<td>-</td>
<td>35,000</td>
<td>-</td>
<td>13,125</td>
</tr>
<tr>
<td><strong>BEGINNING FUND BALANCE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prior Period Adjustment(s)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residual Equity Transfers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL BEGINNING FUND BALANCE</strong></td>
<td>1,859,750</td>
<td>1,079,237</td>
<td>1,355,397</td>
<td>1,444,497</td>
</tr>
<tr>
<td><strong>TOTAL RESOURCES</strong></td>
<td>2,608,180</td>
<td>3,369,737</td>
<td>3,701,397</td>
<td>3,775,122</td>
</tr>
<tr>
<td>EXPENDITURES</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Wages</td>
<td>733,265</td>
<td>745,000</td>
<td>833,105</td>
<td>833,105</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>205,191</td>
<td>200,000</td>
<td>200,334</td>
<td>200,334</td>
</tr>
<tr>
<td>Services and Supplies</td>
<td>648,865</td>
<td>870,000</td>
<td>874,397</td>
<td>880,397</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>1,587,321</td>
<td>1,815,000</td>
<td>1,917,836</td>
<td>1,922,836</td>
</tr>
<tr>
<td><strong>OTHER USES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CONTINGENCY (not to exceed 3% of total expenditures)</td>
<td>-</td>
<td>-</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td>Transfers Out (Schedule T)</td>
<td>246,864</td>
<td>310,240</td>
<td>310,240</td>
<td>314,084</td>
</tr>
<tr>
<td><strong>ENDING FUND BALANCE</strong></td>
<td>1,070,457</td>
<td>1,444,497</td>
<td>1,423,981</td>
<td>1,492,082</td>
</tr>
<tr>
<td><strong>TOTAL COMMITMENTS &amp; FUND BALANCE</strong></td>
<td>2,956,180</td>
<td>3,369,737</td>
<td>3,701,397</td>
<td>3,775,122</td>
</tr>
</tbody>
</table>

Incline Village General Improvement District
Reach Special Revenue Fund

FORM 4404LGF Last Revised 12/6/2017
EXHIBIT "E"
NOTICE OF PUBLIC HEARING

IVGID is proposing a sewer and water rate increase, with an average increase on water rates of 4% and sewer rates of 4%, for a total average utility rate increase of 4%; as well as amendments to its Sewer and Water Ordinances (IVGID Ordinance 2 and 4, respectively), including:

The key changes to the Sewer Ordinance #2 are:
- Ordinance language changes include update to the leak relief policy to better account for sewer volume credits and updates to language to comply with plumbing and building codes.
- Exhibit A – New schedule of Sewer Service Charges.
- Exhibit B – New schedule of Connection Charges.
- Exhibit C – New Miscellaneous Fee Schedule.

The key changes to the Water Ordinance #4 are:
- Ordinance language changes include update to the leak relief policy to better account for sewer volume credits and updates to language to comply with plumbing and building codes.
- Exhibit A – New schedule of Water Service Charges.
- Exhibit B – New schedule of Connection Charges.
- Exhibit C – New Miscellaneous Fee Schedule.

Copies of the proposed ordinances are available at 893 Southwood Blvd.,
1220 Sweetwater Road, and on our website at: www.yourtahoeplace.com/ivgid/resources/ivgid-ordinances

The public hearing will be held:
Wednesday, April 10, 2019 not earlier than 6:00 pm and as soon thereafter as practicable
at The Chateau, 955 Fairway Boulevard, Incline Village, Nevada

The 2019 Rate Study and Presentation, which were presented to the Board of Trustees on January 23, 2019, are available on our website:
www.yourtahoeplace.com/public-works/rates-billing/about-rates-billing. The documents detail our rate structure and why the rate increase is being proposed.

If you have comments about the proposed changes to the Sewer or Water Ordinance, please contact us. You may:
Write us a letter: 893 Southwood Boulevard
Incline Village, Nevada 89451
Attn: Utility Ordinance Amendments

Give us a call: (775) 832-1100
Send us a fax: (775) 832-1331
Send us an e-mail: utilityordinancecomments@ivgid.org

2019
LAKE TAHOE
AREA
UTILITY BILL
COMPARISON

REMEMBER TO TURN OFF YOUR WATER EVERY TIME YOU LEAVE!
Visit the winterization information on our website: www.yourtahoeplace.com/public-works/water/winterization
EXHIBIT "F"
**WATER CHARGES**
- Water Base: $187.20
- Water Capital Improvement: $246.72
- Water Admin Fee: $3.76
- Water Use: $5,299.20

**DEFENSIBLE SPACE**
- Defensible Space Fee: $1.05

**ACCOUNT SUMMARY**
- Previous Balance: $5,963.08
- Payments: $(5,963.08)
- Total Current Charges: $5,737.93

**Total Amount Due**: $5,737.93

Payment Due Upon Presentation

---

**Service Address**
- 14th Green Dr (PSRI)

**Account Number**
- 01336100-01

**Billing Start Date**
- 09/19/2018

**Billing End Date**
- 10/18/2018

---

**Rate Table**
- Water Base: $11.23
- Water Capital Improvement: $14.80
- Water Admin - per account: $3.76
- Water Use: $15.75/1000 gal
- Excess Water Tier 1 < 20K: $1.80/1000 gal
- Excess Water Tier 2 > 20K: $3.60/1000 gal
- Sewer Base: $18.32
- Sewer Capital Improvement: $30.70
- Sewer Admin - per account: $3.76
- Sewer Use: $3.10/1000 gal
- Defensible Space Fee - per Users*: $1.05

*Note: Single Family Residential CAF=1 Users*

---

The IVDIG Public Works office will be closed October 26th in observance on Nevada Day. In case of water or sewer emergency please call (775) 832-1203, 24 hours a day 7 days a week.

---

**Online Account Access** is available on our website! Use it to view your current balance, update your mailing address and contact information, view statements and meter reads, or make payments.

**Never forget a payment again!** It is FREE to sign up for auto payment of your bill from a checking account. Visit our website or contact our office for more information.

Visit our website for detailed information on rate studies, charge descriptions & how to read your bill.

Delinquent charges shall be subject to a 10% penalty. Charges become delinquent the day after their due date. Late fees are charged if payment is not received by the last day of the month it was due.

Email addresses which have been provided on accounts will be used to send out courtesy notifications from Public Works. If you wish to add/remove your email please contact our office.

**PLEASE KEEP THIS PORTION FOR YOUR RECORDS**

**PLEASE RETURN THIS PORTION WITH YOUR PAYMENT**

---

**Service Address**
- 14th Green Dr (PSRI)

**Account Number**
- 01336100-01

**Due Date**
- 10/15/2018

**Amount Due**
- $5,737.93

**Amount Enclosed**
- [ ]

Please, No staples or paperclips

---

Remit to:
- IVDIG Public Works
- 1220 Sweetwater Rd
- Incline Village NV 89451-9214

---

---

---

---
WATER CHARGES

Water Base $187.20
Water Capital Improvement $246.72
Water Admin Fee $3.76
Water Use $3,522.00

DEFENSIBLE SPACE
Defensiblespace Fee $1.05

ACCOUNT SUMMARY
Previous Balance $4,109.68
Payments ($4,109.68)
Total Current Charges $3,960.73

Total Amount Due $3,960.73
Payment Due Upon Presentation

DRINK TAHOE TAP®

Consumption in Thousands of Gallons

<table>
<thead>
<tr>
<th>Month</th>
<th>1591.90</th>
<th>1108.50</th>
<th>622.60</th>
<th>127.90</th>
<th>0.00</th>
<th>0.00</th>
<th>0.00</th>
<th>0.00</th>
<th>0.00</th>
<th>0.00</th>
<th>618.70</th>
<th>238.70</th>
<th>2147.30</th>
<th>2588.70</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meter #</td>
<td>86280727</td>
<td>08/01/2018</td>
<td>08/31/2018</td>
<td>17924000</td>
<td>20272400</td>
<td>2348000</td>
<td>2348000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The IVGID Public Works office will be closed October 26th in observance on Nevada Day. In case of water or sewer emergency please call (775) 832-1203, 24 hours a day 7 days a week.

<table>
<thead>
<tr>
<th>Service Address</th>
<th>Account Number</th>
<th>Billing Start Date</th>
<th>Billing End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Driver Way (PSRI)</td>
<td>01345500-01</td>
<td>09/19/2018</td>
<td>10/18/2018</td>
</tr>
</tbody>
</table>

Rate Table
- Water Base x CAF x Users* $11.23
- Water Capital Improvement x CAF x Users* $14.80
- Water Admin - per account $3.76
- Water Use $0.50/1000 gal
- Excess Water Tier 1 > 20K x CAF x Users* $0.53/1000 gal
- Excess Water Tier 2 > 60K x CAF x Users* $1.30/1000 gal
- Sewer Base x CAF x Users* $18.30
- Sewer Capital Improvement x CAF x Users* $3.07
- Sewer Admin - per account $3.76
- Sewer Use $3.10/1000 gal
- Defensiblespace Fee x Users* $1.05

*Note: Single Family Residential (CAF=1, Users=1)

Online Account Access is available on our website. Use it to view your current balance, update your mailing address and contact information, view statements and meter reads, or make payments.

Never forget a payment again! It is FREE to sign up for auto payment of your bill from a checking account. Visit our website or contact our office for more information.

Visit our website for detailed information on rate studies, charge descriptions & how to read your bill.

Delinquent charges shall be subject to a 10% penalty. Charges become delinquent the day after their due date. Late fees are charged if payment is not received by the last day of the month it was due.

Email addresses which have been provided on accounts will be used to send out courtesy notifications from Public Works. If you wish to add/remove your email please contact our office.

Please keep this portion for your records.

Please return this portion with your payment.

<table>
<thead>
<tr>
<th>Service Address</th>
<th>Account Number</th>
<th>Due Date</th>
<th>Amount Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>Driver Way (PSRI)</td>
<td>01345500-01</td>
<td>10/15/2018</td>
<td>$3,960.73</td>
</tr>
</tbody>
</table>

Amount Enclosed

Please, No staples or paperclips

Remit to:
IVGID Public Works
1220 Sweetwater Rd
Incline Village NV 89451-9214
WATER CHARGES
Water Base $187.20
Water Capital Improvement $246.72
Water Admin Fee $3.76
Water Use $4,771.05
DEFENSIBLE SPACE
Defensible Space Fee $1.05

ACCOUNT SUMMARY
Previous Balance $6,667.93
Payments $6,667.93
Total Current Charges $5,209.78
Total Amount Due $5,209.78
Payment Due Upon Presentation

The IVGID Public Works office will be closed October 26th in observance of Nevada Day. In case of water or sewer emergency please call (775) 832-1203, 24 hours a day 7 days a week.

Service Address 955 Fairway (PSRI)
Account Number 01336600-01
Billing Start Date 09/19/2018
Billing End Date 10/18/2018

Online Account Access is available on our website. Use it to view your current balance, update your mailing address and contact information, view statements and meter reads, or make payments.

Never forget a payment again! It is FREE to sign up for auto payment of your bill from a checking account. Visit our website or contact our office for more information.

Visit our website for detailed information on rate studies, charge descriptions & how to read your bill.

Delinquent charges shall be subject to a 10% penalty. Charges become delinquent the day after their due date. Late fees are charged if payment is not received by the last day of the month it was due.

Email addresses which have been provided on accounts will be used to send out courtesy notifications from Public Works. If you wish to add/remove your email please contact our office.

PLEASE KEEP THIS PORTION FOR YOUR RECORDS
PLEASE RETURN THIS PORTION WITH YOUR PAYMENT

Service Address 955 Fairway (PSRI)
Account Number 01336600-01
Due Date 10/15/2018
Amount Due $5,209.78
Amount Enclosed

Remit to:
IVGID Public Works
1220 Sweetwater Rd
Incline Village NV 89451-9214
**WATER CHARGES**
- Water Base: $187.20
- Water Capital Improvement: $246.72
- Water Admin Fee: $3.75
- Water Use: $4,618.20

**DEFENSIBLE SPACE**
- Defensible Space Fee: $1.05

**ACCOUNT SUMMARY**
- Previous Balance: $5,297.23
- Payments: ($5,297.23)
- Total Current Charges: $5,056.93
- **Total Amount Due**: $5,056.93
  
  Payment Due Upon Presentation

---

**Service Address**
15th Tee (PSRI)

**Account Number**
01345400-01

**Billing Start Date**
09/19/2018

**Billing End Date**
10/18/2018

---

**Rate Table**
- Water Base x Customers: $111.22
- Water Capital Improvement x Customers: $149.80
- Water Admin - per account: $3.76
- Water Use: $1.65/gal
- Excess Water Tier 1: 15000-20000 gal: $0.93/gal
- Excess Water Tier 2: 20000-30000 gal: $1.65/gal
- Sewer Base x Customers: $18.30
- Sewer Capital Improvement x Customers: $30.70
- Sewer Admin - per account: $3.76
- Sewer Use: $3.10/gal
- Defensible Space Fee x Customers: $1.05

*Note: Single Family Residential (C1) Users=1*

---

**Online Account Access**
- Available on our website! Use it to view your current balance, update your mailing address and contact information, view statements and meter reads, or make payments.

**Never forget a payment again!** It is **FREE** to sign up for auto payment of your bill from a checking account. Visit our website or contact our office for more information.

**Visit our website for detailed information on rate studies, charge descriptions & how to read your bill.**

**Delinquent charges will be subject to a 10% penalty**. Charges become delinquent the day after their due date. Late fees are charged if payment is not received by the last day of the month it was due.

Email addresses which have been provided on accounts will be used to send out courtesy notifications from Public Works. If you wish to add/remove your email please contact our office.

---

**Service Address**
15th Tee (PSRI)

**Account Number**
01345400-01

**Due Date**
10/15/2018

**Amount Due**
$5,056.93

**Amount Enclosed**

*Please, No staples or paperclips*

---

**Remit to:**
IVGID Public Works
1220 Sweetwater Rd
Incline Village, NV 89451-9214
WATER CHARGES
Water Base $112.30
Water Capital Improvement $148.00
Water Admin Fee $3.76
Water Use $1,167.90
DEFENSIBLE SPACE
Defensible Space Fee $1.05

ACCOUNT SUMMARY
Previous Balance $1,531.11
Payments ($1,531.11)
Total Current Charges $1,433.01
Total Amount Due $1,433.01
Payment Due Upon Presentation

The IGVID Public Works office will be closed October 26th in observance on Nevada Day. In case of water or sewer emergency please call (775) 832-1203, 24 hours a day 7 days a week.
WATER CHARGES

Water Base $187.20
Water Capital Improvement $246.72
Water Admin Fee $3.76
Water Use $2,453.55
DEFENSIBLE SPACE
Defensible Space Fee $1.05

ACCOUNT SUMMARY

Previous Balance $3,380.65
Payments ($3,380.65)
Total Current Charges $2,892.28

Total Amount Due $2,892.28
Payment Due Upon Presentation

The IVGID Public Works office will be closed October 26th in observance on Nevada Day. In case of water or sewer emergency please call (775) 832-1203, 24 hours a day 7 days a week.

Service Address: Golfers Pass (PSRI) 01338800-01 09/19/2018 10/18/2018

Rate Table:
- Water Base x CAEx Users*: $11.23
- Water Capital Improv x CAEx Users*: $24.80
- Water Admin - per account: $5.76
- Water Use: $1.50/1000 gal
- Excess Water Tier 1: >20K x CAEx Users*: $0.94/1000 gal
- Excess Water Tier 2: >60K x CAEx Users*: $3.29/1000 gal
- Sewer Base x CAEx Users*: $18.30
- Sewer Capital Improv x CAEx Users*: $30.70
- Sewer Admin - per account: $5.76
- Sewer Use: $3.10/1000 gal
- Defensible Space Fee x Users*: $1.05

*Note: Single Family Residential CAF=1 Users=1

Online Account Access is available on our website! Use it to view your current balance, update your mailing address and contact information, view statements and meter reads, or make payments.

Never forget a payment again! It is FREE to sign up for auto payment of your bill from a checking account. Visit our website or contact our office for more information.

Visit our website for detailed information on rate studies, charge descriptions & how to read your bill.

Delinquent charges shall be subject to a 10% penalty. Charges become delinquent the day after their due date. Late fees are charged if payment is not received by the last day of the month it was due.

Email addresses which have been provided on accounts will be used to send out courtesy notifications from Public Works. If you wish to add/remove your email please contact our office.

PLEASE KEEP THIS PORTION FOR YOUR RECORDS

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT

Service Address: Golfers Pass (PSRI) 01338800-01 10/15/2018 $2,892.28

Amount Enclosed

Please, No staples or paperclips

Remit to:

IVGID Public Works
1220 Sweetwater Rd
Incline Village NV 89451-9214

10/15/2018

01338800010002892263

499
WATER CHARGES
Water Base $187.20
Water Capital Improvement $246.72
Water Admin Fee $3.76
Water Use $4,066.35

DEFENSIBLE SPACE
Defensible Space Fee $1.05

ACCOUNT SUMMARY
Previous Balance $4,524.13
Payments ($4,524.13)
Total Current Charges $4,505.08

Total Amount Due $4,505.08
Payment Due Upon Presentation

The IVGID Public Works office will be closed October 26th in observance of Nevada Day. In case of water or sewer emergency please call (775) 832-1203, 24 hours a day 7 days a week.

Rate Table
- Water Base = CAF x Users*
- Water Capital Improvement = CAF x Users*
- Water Admin per account = $2.76
- Water Use = $1.50/1000 gal
- Excess Water Tier 1 = 200 x CAF x Users*
- Excess Water Tier 2 = 600 x CAF x Users*
- Sewer Base = CAF x Users
- Sewer Capital Improvement = CAF x Users*
- Sewer Admin per account = $2.76
- Sewer Use = $3.10/1000 gal
- Defensible Space Fee x Users* = $1.05

*Note: Single Family Residential CAF=1, Users>1.

Online Account Access is available on our website. Use it to view your current balance, update your mailing address and contact information, view statements and meter reads, or make payments.

Never forget a payment again! It is FREE to sign up for auto payment of your bill from a checking account. Visit our website or contact our office for more information.

Visit our website for detailed information on rate studies, charge descriptions & how to read your bill.

Delinquent charges shall be subject to a 10% penalty. Charges become delinquent the day after their due date. Late fees are charged if payment is not received by the last day of the month it was due.

Email addresses which have been provided on accounts will be used to send out courtesy notifications from Public Works. If you wish to add/remove your email please contact our office.

Please keep this portion for your records.
Please return this portion with your payment.

Service Address
Golfers Pass Rd (PSRI)
Incline Village, NV 89451-9214

Account Number 01332600-01
Billing Start Date 09/19/2018
Billing End Date 10/18/2018

Online Account Access is available on our website. Use it to view your current balance, update your mailing address and contact information, view statements and meter reads, or make payments.

Never forget a payment again! It is FREE to sign up for auto payment of your bill from a checking account. Visit our website or contact our office for more information.

Visit our website for detailed information on rate studies, charge descriptions & how to read your bill.

Delinquent charges shall be subject to a 10% penalty. Charges become delinquent the day after their due date. Late fees are charged if payment is not received by the last day of the month it was due.

Email addresses which have been provided on accounts will be used to send out courtesy notifications from Public Works. If you wish to add/remove your email please contact our office.

Service Address
Golfers Pass Rd (PSRI)
Incline Village, NV 89451-9214

Account Number 01332600-01
Due Date 10/15/2018
Amount Due $4,505.08
Amount Enclosed

Please, No staples or paperclips

Remit to:
IVGID Public Works
1220 Sweetwater Rd
Incline Village, NV 89451-9214

0133260001000450506
WATER CHARGES

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Base</td>
<td>$187.20</td>
</tr>
<tr>
<td>Water Capital Improvement</td>
<td>$246.72</td>
</tr>
<tr>
<td>Water Admin Fee</td>
<td>$3.76</td>
</tr>
<tr>
<td>Water Use</td>
<td>$1,218.00</td>
</tr>
</tbody>
</table>

DEFENSIBLE SPACE

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defensible Space Fee</td>
<td>$1.05</td>
</tr>
</tbody>
</table>

ACCOUNT SUMMARY

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Previous Balance</td>
<td>$1,734.88</td>
</tr>
<tr>
<td>Payments</td>
<td>($1,734.88)</td>
</tr>
<tr>
<td>Total Current Charges</td>
<td>$1,656.73</td>
</tr>
</tbody>
</table>

Total Amount Due

- Amount Due: $1,656.73

Payment due upon presentation.

DRINK TAHOE TAP

Consumption in Thousands of Gallons

<table>
<thead>
<tr>
<th>Month</th>
<th>Current Read</th>
<th>Previous Read</th>
<th>Meter #</th>
<th>Start Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aug</td>
<td>901.50</td>
<td>896,000</td>
<td>892,870</td>
<td>08/01/2018</td>
</tr>
</tbody>
</table>

The IVGID Public Works office will be closed October 26th in observance on Nevada Day. In case of water or sewer emergency, please call (775) 832-1203, 24 hours a day 7 days a week.

Service Address

Birdie Way (PSRI)

Account Number: 01332700-01

Billing Start Date: 09/19/2018

Billing End Date: 10/18/2018

Rate Table

<table>
<thead>
<tr>
<th>Description</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Base x CA x Users*</td>
<td>$3/123</td>
</tr>
<tr>
<td>Water Capital Improvement x CA x Users*</td>
<td>$1/8.80</td>
</tr>
<tr>
<td>Water Admin - per account</td>
<td>$3.76</td>
</tr>
<tr>
<td>Water Use</td>
<td>$135/1000 gal</td>
</tr>
<tr>
<td>Excess Water Tier 1 &gt; 20,000 CA x Users*</td>
<td>$5/3/1000 gal</td>
</tr>
<tr>
<td>Excess Water Tier 2 &gt; 60,000 CA x Users*</td>
<td>$130/1000 gal</td>
</tr>
<tr>
<td>Sewer Base x CA x Users*</td>
<td>$18.70</td>
</tr>
<tr>
<td>Sewer Capital Improvement x CA x Users*</td>
<td>$50.70</td>
</tr>
<tr>
<td>Sewer Admin - per account</td>
<td>$3.76</td>
</tr>
<tr>
<td>Sewer Use</td>
<td>$3/10/1000 gal</td>
</tr>
<tr>
<td>Defensible Space Fee x Users*</td>
<td>$1.05</td>
</tr>
</tbody>
</table>

*Note: Single Family Residential CA=1 Users=1

Online Account Access is available on our website. Use it to view your current balance, update your mailing address and contact information, view statements and meter reads, or make payments.

Never forget a payment again! It is FREE to sign up for auto payment of your bill from a checking account. Visit our website or contact our office for more information.

Visit our website for detailed information on rate studies, charge descriptions & how to read your bill.

Delinquent charges shall be subject to a 10% penalty. Charges become delinquent the day after their due date. Late fees are charged if payment is not received by the last day of the month it was due.

Email addresses which have been provided on accounts will be used to send out courtesy notifications from Public Works. If you wish to add/remove your email please contact our office.

The amount due is $1,656.73.

Please keep this portion for your records.

Please return this portion with your payment.

IVGID Public Works
1220 Sweetwater Rd
Incline Village NV 89451-9214

Ivigd Golf - Mountain
14th Tee Irri
Incline Village, NV 89451
WATER CHARGES
Water Base $816.32
Water Capital Improvement $1,109.13
Water Admin Fee $3.65
Water Use $33,213.79

DEFENSIBLE SPACE
Defensible Space Fee $1.05

ACCOUNT SUMMARY
Previous Balance $13,744.03
Payments ($13,744.03)
Total Current Charges $35,143.94

Total Amount Due $35,143.94
Payment Due Upon Presentation

DRINK TAHOE TAP

Consumption in Thousands of Gallons

The IVIGD Public Works office will be closed for the following holiday: Feb 19th. In case of water or sewer emergency please call (775) 832-1203, 24 hours a day 7 days a week.

Service Address 1210 Ski Way (PSRI)
Account Number 01328900-01
Billing Start Date 01/19/2018
Billing End Date 02/18/2018

Rate Table
Rate Rate Per 1000 gal
Water Base x CAF x Users* $10.65
Water Capital Imp x CAF x Users* $14.47
Water Admin - per account $3.65
Water Use $1.45/1000 gal
Excess Water Tier 1 > 20K x CAF x Users* $0.95/1000 gal
Excess Water Tier 2 > 60K x CAF x Users* $1.26/1000 gal
Sewer Base x CAF x Users* $17.55
Sewer Capital Imp x CAF x Users* $0.25
Sewer Admin - per account $3.65
Sewer Use $3.00/1000 gal
Defensible Space Fee x Users* $1.05

*Note: Single Family Residential CAF=1 Users=1

Online Account Access is available on our website! Use it to view your current balance, update your mailing address and contact information, view statements and meter reads, or make payments.

Never forget a payment again! It is FREE to sign up for auto payment of your bill from a checking account. Visit our website or contact our office for more information.

Visit our website for detailed information on rate studies, charge descriptions & how to read your bill.

Delinquent charges shall be subject to a 10% penalty. Charges become delinquent the day after their due date. Late fees are charged if payment is not received by the last day of the month it was due.

Email addresses which have been provided on accounts will be used to send out courtesy notifications from Public Works. If you wish to add/remove your email please contact our office.

PLEASE KEEP THIS PORTION FOR YOUR RECORDS
PLEASE RETURN THIS PORTION WITH YOUR PAYMENT

IVIGD Public Works
1220 Sweetwater Rd
Incline Village NV 89451-9214

IVIGD Public Works
1220 Sweetwater Rd
Incline Village NV 89451-9214

IVIGD Public Works
1220 Sweetwater Rd
Incline Village NV 89451-9214

01328900010035143944

502
## Examination of Champ and Mountain Golf Course and Diamond Peak Cherry
### Picked Monthly Water Use/Billings Compared to Residential Customer

<table>
<thead>
<tr>
<th>Venue</th>
<th>Meter Location</th>
<th>Water Use in Gallons</th>
<th>Proportional to Residential Customer Use Factor</th>
<th>Proportional Monthly Water Use</th>
<th>Actual Monthly Water Use</th>
<th>Monthly Water CIC** Charge if Surcharge Applies Because of CAF</th>
<th>Permissible Water Use</th>
<th>Monthly Before Tier 1 Tier 2 Total Excess Excess Excess Excess</th>
<th>CIC**</th>
<th>Excess Water Surcharge Waived Because IVGID Owned</th>
<th>Excess Water Surcharge Waived Because IVGID Owned</th>
<th>Excess Water Surcharge Waived Because IVGID Owned</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Customer</td>
<td>6,000</td>
<td>* 1</td>
<td>1</td>
<td>14.80</td>
<td>20,000</td>
<td>333,400 $ 620.12 $ 24,794.03 $ 25,414.16</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Champ Golf Course</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5th Tee Irrigation</td>
<td>3,684,800</td>
<td>4</td>
<td>614.13</td>
<td>16.67 $ 246.72 $ 9,089.17</td>
<td>333,400 $ 620.12 $ 25,414.16</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7th Tee Irrigation</td>
<td>2,588,200</td>
<td>4</td>
<td>431.37</td>
<td>16.67 $ 246.72 $ 6,384.23</td>
<td>333,400 $ 620.12 $ 27,239.45</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10th Tee Irrigation</td>
<td>4,152,800</td>
<td>4</td>
<td>692.13</td>
<td>16.67 $ 246.72 $ 10,243.57</td>
<td>333,400 $ 620.12 $ 28,859.57</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15th Tee Irrigation</td>
<td>3,313,600</td>
<td>4</td>
<td>552.27</td>
<td>16.67 $ 246.72 $ 8,173.55</td>
<td>333,400 $ 620.12 $ 26,241.93</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Driving Range</td>
<td>844,000</td>
<td>3</td>
<td>140.67</td>
<td>10.00 $ 112.30 $ 2,081.87</td>
<td>200,000 $ 372.00 $ 113,143.62</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Totals -</td>
<td>14,583,400</td>
<td>2,430.57</td>
<td>74.27 $ 1,099.18 $ 35,972.39</td>
<td></td>
<td>$ 2,852.50 $ 114,549.30</td>
<td>$ 117,401.80</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mountain Golf Course</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5th Tee Irrigation</td>
<td>1,729,800</td>
<td>4</td>
<td>288.30</td>
<td>16.67 $ 246.72 $ 4,266.84</td>
<td>333,400 $ 620.12 $ 29,153.68</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12th Tee Irrigation</td>
<td>2,800,900</td>
<td>4</td>
<td>466.82</td>
<td>16.67 $ 246.72 $ 6,908.89</td>
<td>333,400 $ 620.12 $ 27,385.25</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14th Tee Irrigation</td>
<td>901,500</td>
<td>4</td>
<td>150.25</td>
<td>16.67 $ 246.72 $ 2,223.70</td>
<td>333,400 $ 620.12 $ 31,620.92</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Totals -</td>
<td>5,432,200</td>
<td>905.37</td>
<td>50.01 $ 740.16 $ 13,399.43</td>
<td></td>
<td>$ 1,860.37 $ 86,919.60 $ 88,779.97</td>
<td></td>
<td></td>
<td>$ 1,533,000 $ 2,851.38 $ 109,223.62 $ 112,075.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Totals -</td>
<td>42,921,660</td>
<td>3,817.68</td>
<td>76.65 $ 816.32 $ 56,501.61 $ 1,533,000 $ 2,851.38 $ 109,223.62 $ 112,075.00</td>
<td></td>
<td>$ 2,655.66 $ 105,873.43 $ 318,256.77</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* - Signifies Median Residential Customer Use per February 2019 IVGID Public Works Newsletter

** - CIC = Capital Improvement Charge
EXHIBIT A
Schedule of Water Service Charges

Monthly water charges are the summation of the following components:

1. Fixed Charge = $11.23 X CAF (1) X number of units.
2. Administrative / Customer Service Account Charge = $3.76 per account.
3. Capital Improvement Charge = $14.80 X CAF (1) X number of units
4. Variable Cost = $1.50 per 1,000 gallons of water use. [billed as water use charges]
5. Excess water charge (2)
   a. First Tier: Additional Cost = $0.93 per 1,000 gallons for all water use greater than 20,000 gallons X CAF (1) X number of units, in addition to the Variable Cost (#4), above.
   b. Second Tier: Additional Cost = $1.30 per 1,000 gallons for all water use greater than 60,000 gallons X CAF (1) X number of units, in addition to Variable Cost (#4) and First Tier Cost (#6a), above.
6. Defensible Space Fee = $1.05 X number of units.
   a. The defensible space fee is to pay 50% of the IVGID share of costs for fuels treatment on IVGID lands that will enhance the protective boundary from destructive wildfire that could threaten the communities of Incline Village and Crystal Bay. The other 50% share of this cost is paid by the IVGID Recreation Facility Fee.

(1) Capacity Adjustment Factor:

<table>
<thead>
<tr>
<th>Service Size for Billing Purposes</th>
<th>CAF</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Residential Customers</td>
<td>1.0</td>
</tr>
<tr>
<td>¾&quot;</td>
<td>1.0</td>
</tr>
<tr>
<td>1&quot;</td>
<td>1.67</td>
</tr>
<tr>
<td>1.5&quot;</td>
<td>3.33</td>
</tr>
<tr>
<td>2&quot;</td>
<td>5.33</td>
</tr>
<tr>
<td>3&quot;</td>
<td>10.00</td>
</tr>
<tr>
<td>4&quot;</td>
<td>16.67</td>
</tr>
<tr>
<td>6&quot;</td>
<td>33.33</td>
</tr>
<tr>
<td>8&quot;</td>
<td>53.33</td>
</tr>
<tr>
<td>10&quot;</td>
<td>76.65</td>
</tr>
</tbody>
</table>

(2) Designated Public Service Recreation irrigation accounts are not assessed excess water charges.

Typical monthly single-family residential water service charges with no metered water use:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Base Rate (#1)</td>
<td>$9.50</td>
<td>$9.55</td>
<td>$9.74</td>
<td>$10.00</td>
<td>$10.65</td>
<td>$12.00</td>
</tr>
<tr>
<td>Administrative Fee (#2)</td>
<td>3.20</td>
<td>3.25</td>
<td>3.35</td>
<td>3.45</td>
<td>3.65</td>
<td>3.76</td>
</tr>
<tr>
<td>Defensible Space (#6)</td>
<td>1.05</td>
<td>1.05</td>
<td>1.05</td>
<td>1.05</td>
<td>1.05</td>
<td>1.05</td>
</tr>
<tr>
<td>Total Water</td>
<td>$27.03</td>
<td>$27.54</td>
<td>$28.10</td>
<td>$28.86</td>
<td>$29.82</td>
<td>$30.84</td>
</tr>
</tbody>
</table>
Dear Mr. Katz,

This e-mail is IVGID's response to your records request of February 12, 2019 which reads as follows:

I would like to examine any written materials used by staff to justify proposed sewer rates the subject of their most recent proposed 2019-20 sewer rates in general, and with respect to use of water rather than disposal of actual effluent in particular.

There are no public records to provide in response to your request.

Susan A. Herron, CMC
Executive Assistant/District Clerk/Public Records Officer
Incline Village General Improvement District
893 Southwood Boulevard, Incline Village, NV 89451
P: 775-832-1207
F: 775-832-1122
M: 775-846-6158
sah@ivgid.org
http://ivgid.org

-----Original Message-----
From: s4s@ix.netcom.com <s4s@ix.netcom.com>
Sent: Tuesday, February 12, 2019 7:00 AM
To: Herron, Susan <Susan_Herron@ivgid.org>
Subject: Records Request - Rate Making Manuals for Sewer Services

Hello Ms. Herron -

Another records request.

I would like to examine any written materials used by staff to justify proposed sewer rates the subject of their most recent proposed 2019-20 sewer rates in general, and with respect to use of water rather than disposal of actual effluent in particular.

Thank you for your cooperation. Aaron Katz
EXHIBIT "J"
WATER CHARGES
  Water Base $56.76
  Water Capital Improvement $77.13
  Water Admin Fee $3.65
  Water Use $82.84

SEWER CHARGES
  Sewer Base $93.54
  Sewer Capital Improvement $161.23
  Sewer Admin Fee $3.65
  Sewer Use $171.39

DEFENSIBLE SPACE
  Defensible Space Fee $1.05

ACCOUNT SUMMARY
  Previous Balance $647.32
  Payments $647.32
  Total Current Charges $651.24
  Total Amount Due $651.24

Payment Due Upon Presentation

New billing rates were approved by the BOT on April 11, 2018, which will be effective on the
May 19, 2018 statements. The 2018 Rate Study is available on our website:

<table>
<thead>
<tr>
<th>Service Address</th>
<th>Account Number</th>
<th>Billing Start Date</th>
<th>Billing End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1210 Ski Way</td>
<td>01328600-01</td>
<td>04/19/2018</td>
<td>05/18/2018</td>
</tr>
</tbody>
</table>

Rate Table
- Water Base x CAF x Users* $30.63
- Water Capital Improv x CAF x Users* $14.47
- Water Admin - per account $3.65
- Water Use $12.45/1000 gal
- Excess Water Tier 1 > 20K x CAF x Users* $9.95/1000 gal
- Excess Water Tier 2 > 60K x CAF x Users* $12.26/1000 gal
- Sewer Base x CAF x Users* $17.72
- Sewer Capital Improv x CAF x Users* $30.23
- Sewer Admin - per account $3.65
- Sewer Use $12.45/1000 gal
- Defensible Space Fee x Users* $1.05

*Note: Single Family Residential CAF=1
Users=1

Online Account Access is available on our website! Use it to view your current balance, update your
mailing address and contact information, view statements and meter reads, or make payments.

Never forget a payment again! It is FREE to sign up for auto payment of your bill from a checking
account. Visit our website or contact our office for more Information.

Visit our website for detailed information on rate studies, charge descriptions & how to read your bill.

Delinquent charges shall be subject to a 10% penalty. Charges become delinquent the day after their
due date. Late fees are charged if payment is not received by the last day of the month it was due.

Email addresses which have been provided on accounts will be used to send out courtesy notifications
from Public Works. If you wish to add/remove your email please contact our office.

PLEASE KEEP THIS PORTION FOR YOUR RECORDS
PLEASE RETURN THIS PORTION WITH YOUR PAYMENT

Remit to:
IVGID Public Works
1220 Sweetwater Rd
Incline Village NV 89451-9214

01328600010000651247 510
EXHIBIT "K"
Concrete Examples of the Massive Water Rate Preferences You Are Granting to the District's Commercial Recreational Businesses Which Are Being Subsidized by Residential Rate Payers

Dear Chairperson Wong and other Honorable members of the IVGID Board.

After my short presentation to you this last Wednesday evening, you either don’t understand the magnitude of the water rate preferences you are granting to the District’s public recreational businesses, or you just don’t care. Which one is it?

A couple of concrete examples.

1. I have attached a copy of a $35,143.94 MONTHLY water bill for Diamond Peak snowmaking due February 5, 2018. This was for use of an unbelievable 22,606,060 MILLION GALLONS! IN A MONTH.

Do you understand this represents 7,158 times the water your median residential customer uses in a month?

Look at the monthly capital improvement cost ("CIC") this one service customer is paying; $1,109.13. Given the residential customer pays $14.47, Diamond Peak is paying 76.65 times the CIC cost the residential customer pays. But Diamond Peak is using 7,158 times the water your median residential customer uses in a month.

What additional infrastructure costs are required to deliver/store/pump 22 million gallons of water/month to Diamond Peak that are NOT required to deliver 3,200 gallons of water/month to the median residential customer? Do you think the number is more or less than 76.65 times the CIC the residential customer pays? Is this fair?

Look at the excess water charges Diamond Peak is NOT paying because of the exemption you have allowed staff to advance for itself to residential customers' detriment. If a residential customers uses more than 20,000 gallons of water in a month, the cost of the next 40,000 gallons rises from $1.45/1,000 gallons to $2.40/1,000 gallons. And if the residential customer uses more than 60,000 gallons in a month, the cost of each additional 1,000 gallons rises from $1.45 to $3.66.

So how much is Diamond Peak saving in excess water charges you are exempting JUST FOR THIS ONE MONTH? $112,075! Exactly who is subsidizing this preference. And is this fair?

2. Irrigation needs for the Championship golf course are fed from at least five separate meters. Let me just concentrate on one of those meters. I have attached a copy of a $5,208.78 MONTHLY water bill for the back nine holes due October 15, 2018. This was for use of 4,152,800 MILLION GALLONS! IN A MONTH.

Do you understand this represents 1,298 times the water your median residential customer uses in a month?

Look at the monthly CIC this one service customer is paying; $246.72. Given the residential customer pays $14.47, this one water meter is only paying 16.67 times the CIC cost the residential customer pays. But this one Championship golf course meter is using 1,298 times the water your median residential customer uses in a month.

What additional infrastructure costs are required to deliver/store/pump over 4 million gallons of water/month to this single meter at the Championship golf course that are NOT required to deliver 3,200 gallons of water/month to the median residential customer? Do you think the number is more or less than 16.67 times the CIC the residential customer pays? Is this fair?

Look at the excess water charges this single water meter is NOT paying because of the exemption you have allowed staff to
advance for itself to residential customers' detriment. So how much is this single water meter saving in excess water charges you are exempting JUST FOR THIS ONE MONTH? $24,370.50! Exactly who is subsidizing this preference. And is this fair?

3. Irrigation needs for the Mountain golf course are fed from at least four separate meters. Let me just concentrate on one of those meters. I have attached a copy of a $4,505.08 MONTHLY water bill for the 12th Tee due October 15, 2018. This was for use of 2,800,900 MILLION GALLONS! IN A MONTH.

Do you understand this represents 875.28 times the water your median residential customer uses in a month?

Look at the monthly CIC this one service customer is paying; $246.72. Given the residential customer pays $14.47, this one water meeting is only paying 16.67 times the CIC cost the residential customer pays. But this one Mountain golf course meter is using 875.28 times the water your median residential customer uses in a month.

What additional infrastructure costs are required to deliver/store/pump nearly 3 million gallons of water/month to to this single meter at the Mountain golf course that are NOT required to deliver 3,200 gallons of water/month to the median residential customer? Do you think the number is more or less than 16.67 times the CIC the residential customer pays? Is this fair?

Look at the excess water charges this single water meter is NOT paying because of the exemption you have allowed staff to advance for itself to residential customers' detriment. So how much is this single water meter saving in excess water charges you are exempting JUST FOR THIS ONE MONTH? $27,385.50! Exactly who is subsidizing this preference. And is this fair?

All of this exists because Joe Pomroy has NOT shared with the Board and the public then when you have such unusually high water users such as these, you're supposed to create a special customer class for these users. And your rates to these users are different than the rates to other water users. YOU NEED TO CREATE A NEW CUSTOMER CLASS whose rates are fair with respect to the demands they place on the public's water system.

These are just three examples out of DOZENS. And these numbers are just for one month, versus a year. Extrapolating out these numbers for a year, can you see the amount of preferences staff is proposing for its staff colleagues on staff's money losing recreation businesses?

If you cared, you step in and do something. If you don't, then it's clear YOU JUST DON'T CARE! So which is it?

I ask a copy of this e-mail and attachments be placed in the next Board packet so the public can see what I see, and hopefully understand how our biased staff are cherry picking the data to create water rates which unfairly benefit them to the detriment of we residential water customers.

As I have observed before, local property owners are subsidizing the District's money losing commercial recreation businesses which cater to the world's tourists through the ad valorem taxes they pay the County as well as LVGID. Then they subsidize those businesses a second time through the Rec Fees they are compelled to pay. Then they subsidize those businesses a third time through the user fees they pay which in so many instances are virtually identical to those offered to favored third party collaborators. And now we see a fourth kind of subsidy. Under charge those businesses and force local residential customers to subsidize the needs of those business.

And you call this fair, just and reasonable?

Respectfully, Aaron Katz
EXHIBIT “L”
Residential Utility Rate Summary

The following table provides the average monthly water and sewer utility bill for our average residential user (72,000 gallons water use per year) in the District's service area from 2014 to the proposed 2019 rates.

<table>
<thead>
<tr>
<th>Year</th>
<th>Monthly Water Charge</th>
<th>Monthly Sewer Charge</th>
<th>Total Monthly Water and Sewer Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$35.41</td>
<td>$55.75</td>
<td>$91.16</td>
</tr>
<tr>
<td>2015</td>
<td>$36.15</td>
<td>$57.96</td>
<td>$94.11</td>
</tr>
<tr>
<td>2016</td>
<td>$37.15</td>
<td>$60.24</td>
<td>$97.39</td>
</tr>
<tr>
<td>2017</td>
<td>$38.47</td>
<td>$62.22</td>
<td>$100.69</td>
</tr>
<tr>
<td>2018</td>
<td>$39.79</td>
<td>$63.88</td>
<td>$103.67</td>
</tr>
<tr>
<td>Proposed 2019</td>
<td>$41.35</td>
<td>$66.44</td>
<td>$107.78</td>
</tr>
</tbody>
</table>

The average residential rate has increased $16.62 per month from $91.16 in 2014 to the proposed $107.78 in 2019. There has been an increase of $5.18 per month to pay for capital improvements and $10.44 to pay for operating cost increases which equals the total rate increase of $16.62 per month over the last five years. The following table presents the five year total and annual average rate increases for the median residential customer.

<table>
<thead>
<tr>
<th></th>
<th>Monthly Water Charge</th>
<th>Monthly Sewer Charge</th>
<th>Total Monthly Water &amp; Sewer Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total % Change 2014-2019</td>
<td>17.1%</td>
<td>20.9%</td>
<td>19.4%</td>
</tr>
<tr>
<td>Annual % Change over 5 yrs.</td>
<td>3.2%</td>
<td>3.9%</td>
<td>3.6%</td>
</tr>
</tbody>
</table>
EXHIBIT "M"
WATER CHARGES
- Water Base: $11.23
- Water Capital Improvement: $14.80
- Water Admin Fee: $3.76
- Water Use: $5.95

SEWER CHARGES
- Sewer Base: $18.30
- Sewer Capital Improvement: $30.70
- Sewer Admin Fee: $3.76
- Sewer Use: $12.29

DEFENSIBLE SPACE
- Defensible Space Fee: $1.05

ACCOUNT SUMMARY
- Previous Balance: $101.63
- Payments: ($101.63)
- Total Current Charges: $101.84
- Total Amount Due: $101.84
Payment Due Upon Presentation

DRINK TAHOE TAP®

Consumption in Thousands of Gallons

<table>
<thead>
<tr>
<th>Month</th>
<th>Consumption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec</td>
<td>3.18</td>
</tr>
<tr>
<td>Jan</td>
<td>3.85</td>
</tr>
<tr>
<td>Feb</td>
<td>3.55</td>
</tr>
<tr>
<td>Mar</td>
<td>4.01</td>
</tr>
<tr>
<td>Apr</td>
<td>5.69</td>
</tr>
<tr>
<td>May</td>
<td>13.83</td>
</tr>
<tr>
<td>Jun</td>
<td>20.04</td>
</tr>
<tr>
<td>Jul</td>
<td>18.47</td>
</tr>
<tr>
<td>Aug</td>
<td>21.30</td>
</tr>
<tr>
<td>Sep</td>
<td>17.17</td>
</tr>
<tr>
<td>Oct</td>
<td>7.45</td>
</tr>
<tr>
<td>Nov</td>
<td>1.91</td>
</tr>
<tr>
<td>Dec</td>
<td>3.96</td>
</tr>
</tbody>
</table>

CONSUMPTION FOR MEDIAN SINGLE FAMILY USER DURING CURRENT MONTH: 2,342

The IVGID Public Works office will be closed Jan 21 and Feb 18. In case of water or sewer emergency please call (775) 832-1203, 24 hours a day 7 days a week.

Service Address: 03141600-01
Billing Start Date: 01/19/2019
Billing End Date: 02/18/2019

Online Account Access is available on our website. Use it to view your current balance, update your mailing address and contact information, view statements and meter reads, or make payments.

Never forget a payment again! It is FREE to sign up for auto payment of your bill from a checking account. Visit our website or contact our office for more information.

Visit our website for detailed information on rate studies, charge descriptions & how to read your bill.

Delinquent charges shall be subject to a 10% penalty. Charges become delinquent the day after their due date. Late fees are charged if payment is not received by the last day of the month it was due.

Email addresses which have been provided on accounts will be used to send out courtesy notifications from Public Works. If you wish to add/remove your email please contact our office.

PLEASE KEEP THIS PORTION FOR YOUR RECORDS
DRINK TAHOE TAP

The date your meter was read there appeared to be 24 hour continuous use at your property. For more information please visit our website: www.ivgidpublicworks.org.

Consumption in Thousands of Gallons

<table>
<thead>
<tr>
<th>Month</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>Jan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>2.80</td>
<td>3.55</td>
<td>4.01</td>
<td>5.60</td>
<td>13.83</td>
<td>20.04</td>
<td>22.30</td>
<td>17.17</td>
<td>7.18</td>
<td>3.93</td>
<td>3.95</td>
<td>7.66</td>
<td></td>
</tr>
</tbody>
</table>

CONSUMPTION FOR MEDIAN SINGLE FAMILY USER DURING CURRENT MONTH: 1912

A Public Hearing will be held April 10, 2019 for proposed changes to the Sewer and Water Ordinances, including rates. The 2019 Rate Study and Presentation are available on our website: https://www.yourtahoeplacem.com/public-works/rates-billing/about-rates-billing.

Service Address

Account Number: 03141600-01
Billing Start Date: 02/19/2019
Billing End Date: 03/18/2019

Rate Table:
- Water Base x CAF x Users: $11.23
- Water Capital Improv.x CAF x Users: $14.80
- Water Admin - per account: $3.76
- Water Use: $1.25/1000 gal
- Excess Water Tier 1: > 20K x CAF x Users: $0.83/1000 gal
- Excess Water Tier 2: > 50K x CAF x Users: $1.30/1000 gal
- Sewer Base x CAF x Users: $30.70
- Sewer Capital Improv. x CAF x Users: $30.70
- Sewer Admin - per account: $3.76
- Sewer Use: $1.25/1000 gal
- Defensible Space Fee x Users: $1.05

*Note: Single Family Residential CAF=1 Users=1

Online Account Access is available on our website. Use it to view your current balance, update your mailing address and contact information, view statements and meter reads, or make payments.

Never forget a payment again! It is FREE to sign up for auto payment of your bill from a checking account. Visit our website or contact our office for more information.

Visit our website for detailed information on rate studies, charge descriptions & how to read your bill.

Delinquent charges shall be subject to a 10% penalty. Charges become delinquent the day after their due date. Late fees are charged if payment is not received by the last day of the month it was due.

Email addresses which have been provided on accounts will be used to send out courtesy notifications from Public Works. If you wish to add/remove your email please contact our office.

PLEASE KEEP THIS PORTION FOR YOUR RECORDS
EXECUTIVE SUMMARY

The Utility Fund provides water, sewer, and solid waste services to the Incline Village and Crystal Bay communities and sewer service for Nevada State Parks at Sand Harbor, Memorial Point and Spooner State Parks. The IVGID service area is substantially built-out at this point.

The water and sewer rates are based on the water and sewer budgets and are made up of three main components - fixed charges, variable charges, and capital improvement charges. This type of rate structure is called the commodity-demand method. Commodity costs vary with the quantity of water or sewer processed. Demand costs are based on providing facilities to meet the potential demand on the water and sewer system by the customer. Each major division in the water and sewer budget has a portion of fixed and variable costs and the rates are designed to fund these expenses. The capital component of rates has been the primary basis for increases, to fund the anticipated replacement of 6 miles of the effluent export pipeline.

Performance Metrics
Season/Service Period
Water and Sewer distribution and treatment is staffed and operated 24 hours every day. Administration and customer service hours are non-holiday weekdays 8 to 4:30. Solid Waste Services are scheduled over a variety of plans on weekdays. Solid Waste Transfer Station is open 7 days per week.

Performance Measures
The District reads approximately 4,450 meters monthly, covering these customers:

<table>
<thead>
<tr>
<th></th>
<th>Water</th>
<th>Sewer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approximate Users</td>
<td>8,058</td>
<td>7,966</td>
</tr>
<tr>
<td>Equivalent Dwelling Units (EDU)</td>
<td>8,992</td>
<td>8,490</td>
</tr>
<tr>
<td>Accounts Billed</td>
<td>4,226</td>
<td>4,148</td>
</tr>
<tr>
<td>Gallons Processed</td>
<td>1000 million</td>
<td>350 million</td>
</tr>
</tbody>
</table>

Disruption of Water Service

<table>
<thead>
<tr>
<th>Duration</th>
<th>AWWA Median Per 1000 customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 4 Hours</td>
<td>2.5</td>
</tr>
<tr>
<td>Between 4 &amp; 12 Hours</td>
<td>1.1</td>
</tr>
<tr>
<td>&gt; 12 Hours</td>
<td>0.1</td>
</tr>
</tbody>
</table>

Water Pipeline System

<table>
<thead>
<tr>
<th>Category</th>
<th>AWWA Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renewal Rate</td>
<td>2.7%</td>
</tr>
</tbody>
</table>

Customer Service Accounts

<table>
<thead>
<tr>
<th>Category</th>
<th>AWWA Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>Billing Accuracy Rate</td>
<td>7 per 10,000 Bills</td>
</tr>
<tr>
<td>Errors/10,000 Bills</td>
<td>7 per 10,000 bills</td>
</tr>
</tbody>
</table>
EXHIBIT “O”
EXHIBIT A
Schedule of Sewer Service Charges

Monthly sewer charges are the summation of the following components:

1. Fixed Charge = $18.30 X CAF $^{(1)} X$ number of units.
2. Administrative / Customer Service Account Charge = $3.76 per account.
3. Capital Improvement Charge = $30.70 X CAF $^{(1)} X$ number of units.
4. Variable Cost $^{(2)} = $3.10 per 1,000 gallons of water use [billed as sewer use charges]

$^{(1)}$ Capacity Adjustment Factor:

<table>
<thead>
<tr>
<th>Service Size for Billing Purposes</th>
<th>CAF</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Residential Customers</td>
<td>1.0</td>
</tr>
<tr>
<td>¾&quot;</td>
<td>1.0</td>
</tr>
<tr>
<td>1&quot;</td>
<td>1.67</td>
</tr>
<tr>
<td>1.5&quot;</td>
<td>3.33</td>
</tr>
<tr>
<td>2&quot;</td>
<td>5.33</td>
</tr>
<tr>
<td>3&quot;</td>
<td>10.00</td>
</tr>
<tr>
<td>4&quot;</td>
<td>16.67</td>
</tr>
<tr>
<td>6&quot;</td>
<td>33.33</td>
</tr>
<tr>
<td>8&quot;</td>
<td>53.33</td>
</tr>
<tr>
<td>10&quot;</td>
<td>76.65</td>
</tr>
</tbody>
</table>

$^{(2)}$ Residential Variable Cost:

Variable sewer costs for residential customers are based on monthly water use (see #4, above) as follows: During the non-irrigation months (December through April), the variable sewer cost is calculated using the metered water use value. During irrigation billing months (May through November), the variable sewer cost shall be the lesser of the metered water use value or the non-irrigation months' average metered water use. The non-irrigation months' average shall not be set at a value less than 3,000 gallons.

Typical monthly single-family residential sewer service charges with no metered water use:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Base rate (#1)</td>
<td>$14.85</td>
<td>$15.20</td>
<td>$15.81</td>
<td>$16.52</td>
<td>$17.56</td>
<td>$18.30</td>
</tr>
<tr>
<td>Capital rate (#3)</td>
<td>23.80</td>
<td>27.68</td>
<td>28.79</td>
<td>29.86</td>
<td>$30.25</td>
<td>$30.70</td>
</tr>
<tr>
<td>Administrative fee (#2)</td>
<td>3.20</td>
<td>3.25</td>
<td>3.35</td>
<td>3.45</td>
<td>$3.65</td>
<td>$3.76</td>
</tr>
<tr>
<td>Total Sewer:</td>
<td>$41.85</td>
<td>$46.13</td>
<td>$47.95</td>
<td>$49.83</td>
<td>$51.45</td>
<td>$52.76</td>
</tr>
</tbody>
</table>
EXHIBIT “P”
The capital expense is the capital improvement projects net of grants. This is the current five-year capital plan that is being developed as part of the budget process. The five-year capital expenses and revenues are presented in the following table:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Revenue</td>
<td>4,807,000</td>
<td>4,863,000</td>
<td>4,921,000</td>
<td>4,979,000</td>
<td>5,037,000</td>
<td>$24,607,000</td>
</tr>
<tr>
<td>Capital Expense</td>
<td>(4,797,000)</td>
<td>(4,828,000)</td>
<td>(4,716,000)</td>
<td>(4,707,000)</td>
<td>(4,474,000)</td>
<td>($23,522,000)</td>
</tr>
<tr>
<td>Subtotal</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$1,085,000</td>
</tr>
</tbody>
</table>

It is important to remember that the capital expenses are budget estimates with further refinement to occur in the CIP budgeting process. The goal of the rate study is to collect sufficient revenues to fund capital expenses over the following five years.

With the 2012-13 budget year, Public Works began accumulating $2,000,000 per year in savings for the construction of the Effluent Export Project. We expect to have accumulated a total of $10,000,000 by the early construction project start date in spring 2017. The sewer CIP will not be accumulating the $2 million in capital for the export project in 2017-18 while we accomplish other CIP priorities and construct the effluent storage pond improvements as part of the export project.

Summary

The proposed utility rate increase is to raise water rates by 3.6% and sewer rates by 3.3% for a total utility rate increase of 3.4%. The rates are currently scheduled for an average 3.4% increase per year for five years to meet the projections presented in this memo.

In 2016-17, total water and sewer revenues for Public Works are budgeted to be $11.22 million and are proposed to be $11.56 million in 2017-1 under this rate
EXHIBIT “Q”
Variable Charges
To provide water and sewer services there is a portion of the costs that are variable charges. These charges are the costs to treat and distribute water and to collect, treat and dispose wastewater. The variable charge for water is essentially the cost to pump it out of Lake Tahoe, treat the water and deliver it to the customer. The variable charge for sewer is essentially what it costs to collect the wastewater and deliver it to the wastewater plant, treat the wastewater, pump and dispose of the effluent and biosolids. This requires staff, chemicals, supplies, tools, equipment, and energy to perform these services.

Capital Improvement Charge
The capital improvement charge funds the replacement of water and sewer infrastructure. There are separate connection fees to new customers to buy into existing infrastructure. The capital charge is based on funding the costs of the five year capital improvement plan with a consideration for the multi-year capital plan.

III. FINANCIAL IMPACT AND BUDGET

2011 Five Year Rate Study
The rate study for 2011 has been prepared to determine the next five years of operating and capital expenses and to provide sufficient and stable revenue to meet the operating cost increases and the near term capital needs. It is anticipated that the reserves will substantially draw down in the next five years to the point that borrowing will be necessary to maintain a responsible reserve balance. The primary reason for this is two specific projects.

The first project is the upgrades and replacement of existing equipment at the Burnt Cedar Water Disinfection Plant to meet regulatory requirements. This is a multi-year project that will replace the existing Ozone Disinfection equipment and install a new ultra-violet disinfection system to meet EPA regulations. Cost estimates of $5.7 million have been inserted into the 5-year Capital Plan. This is $700,000 higher than last year’s estimate and reflects the results of the design phase estimating. This project is currently out for bids and a construction contract will be awarded this spring and the costs will be updated to reflect actuals.

The second major project is the continuation of the Effluent Export Project to replace an additional 30,000 lineal feet of pipeline in the Tahoe Basin in the SR-28 right-of-way. On August 1, 2009 a significant leak occurred on the pipeline that caused a road failure and necessitated a $225,000 repair. It has been determined that it is prudent to begin the replacement of this additional six miles of pipeline at a cost of $23 million over the next 10 years. Currently the capital budget shows that 55% of this work is being funded through the Section 595 Program. This adds $3.9 million in capital costs to the 5-year capital plan and $10.2 million overall in the multi-year plan. In the past, the 595 program funded 75% of the costs. The increase in the District’s share has increased the District’s share of the costs by $1.8 million in the five year CIP and by $4.7 million...
overall in the multi-year plan by this change in the District's share from 25% to 45%. The Rate study has now been adjusted to increase the capital charge in sewer to collect additional revenue for the increase in costs. Last year's rate study included the Effluent Export costs at the 75% funded level.

A significant amount of capital assets are being replaced with funds already collected for that purpose. The borrowing to pay for a portion of the above two projects will place the financial burden on future rate payers. This has been the traditional mix in paying for capital in Public Works. We are currently using about 30% of the collected Capital revenue to pay for debt. In 2013/14 two significant loans are paid off cutting our annual loan payments in half which provides room for new bonding to fund the above described projects.

The rate model is prepared to determine the revenue needs to meet operating and capital expenses while maintaining prudent reserves. This target reserve balance has been adjusted downward based on current economic conditions in Nevada and with consideration given to the cost of borrowing money versus spending down reserves. Once a target revenue is established, then the water and sewer rates are adjusted to generate that revenue in the most equitable way possible. The revenue is also balanced among the various rate components to pay for fixed, variable and capital components. The new rate structures are modeled for all of the customer classes and for some classes it is modeled for every customer for the entire year. This is done to confirm that no individual customer will receive a disproportionate rate increase or decrease.

The proposed utility rate increase is to raise water by 5.3% and sewer by 9.4% for a total utility rate increase of 7.7%. In 2010 the increases were water by 4.3% and sewer by 3.9% for a total utility rate increase of 4.1%. Sewer rates have increased significantly to pay for the increased cost share for the Effluent Export Project. Prior to this year the average rate increase was expected to be 4.6% per year. The following table shows the rate increase for all of the customer classes.

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>Water Rate Increase</th>
<th>Sewer Rate Increase</th>
<th>Utility Rate Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>5.2%</td>
<td>10.4%</td>
<td>8.2%</td>
</tr>
<tr>
<td>Irrigation</td>
<td>5.1%</td>
<td></td>
<td>5.1%</td>
</tr>
<tr>
<td>IV Domestic</td>
<td>5.0%</td>
<td>10.5%</td>
<td>8.2%</td>
</tr>
<tr>
<td>IV Irrigation</td>
<td>4.3%</td>
<td></td>
<td>4.3%</td>
</tr>
<tr>
<td>IV Snowmaking</td>
<td>4.7%</td>
<td></td>
<td>4.7%</td>
</tr>
<tr>
<td>Multi Family</td>
<td>6.4%</td>
<td>7.2%</td>
<td>6.8%</td>
</tr>
<tr>
<td>Single Family</td>
<td>4.4%</td>
<td>11.5%</td>
<td>8.1%</td>
</tr>
<tr>
<td>Total</td>
<td>5.3%</td>
<td>9.4%</td>
<td>7.7%</td>
</tr>
</tbody>
</table>
EXHIBIT "R"
## I.V.G.I.D. MULTI YEAR CAPITAL IMPROVEMENT PLAN
### SEWER SUMMARY
Prepared 2/15/2011

<table>
<thead>
<tr>
<th>Data Sheet</th>
<th>Project Title</th>
<th>Utilities</th>
<th>Sewer</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEW 1</td>
<td>Replace WWTP biosolids bins</td>
<td>24,000</td>
<td></td>
</tr>
<tr>
<td>SEW 2</td>
<td>Concrete Pad Replacement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEW 3</td>
<td>Rebuild Biowar</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEW 4</td>
<td>Aeration basin and wetwell structure evaluation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEW 5</td>
<td>Replace 3 Chemical Tanks</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEW 6</td>
<td>Rebuild Pumps and Other Equipment</td>
<td>25,000</td>
<td></td>
</tr>
<tr>
<td>SEW 7</td>
<td>Upgrade Wetlands Facility</td>
<td>25,000</td>
<td></td>
</tr>
<tr>
<td>SEW 8</td>
<td>Upgrade Sewer Pump Stations</td>
<td>40,000</td>
<td></td>
</tr>
<tr>
<td>SEW 9</td>
<td>Building Upgrades Treatment Plant</td>
<td>16,800</td>
<td></td>
</tr>
<tr>
<td>SEW 10</td>
<td>Replace &amp; Reline Sewer Mains &amp; Manholes</td>
<td>401,100</td>
<td></td>
</tr>
<tr>
<td>SEW 11</td>
<td>Effluent Export Line - Phase I (USACE 75% Funding)</td>
<td>1,300,009</td>
<td></td>
</tr>
<tr>
<td>SEW 12</td>
<td>Update Camera Equipment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEW 13</td>
<td>Effluent Export Line - Phase II (USACE 55% Funding)</td>
<td>750,000</td>
<td></td>
</tr>
<tr>
<td>SEW 15</td>
<td>SR-28 Crystal Bay Utility Relocations</td>
<td>530,000</td>
<td></td>
</tr>
<tr>
<td>SEW 16</td>
<td>2001 Sallick Forklift</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEW 17</td>
<td>2001 Jet-Away Line Cleaner #58</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEW 587</td>
<td>2006 Kenworth T800 B Dump truck #587</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEW 588</td>
<td>2006 Dump Trailer (60,000 lbs.) #588</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEW 602</td>
<td>2007 Trackless Flail Mower</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEW 615</td>
<td>2008 Chevrolet Camera Truck</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Sewer Gross Sub Total | 2,719,800 | 2,698,150 | 2,659,450 | 2,545,500 | 2,474,400 | 11,665,250 | 6,728,500 | 1,300,000 | 32,919,300 |
| Sewer Portion of Shared Capital Projects | 79,925 | 139,958 | 343,675 | 661,150 | 457,313 | 704,589 | 1,270,721 | 830,687 | 4,051,117 |
| Sewer Net Sub Total | 2,790,725 | 2,838,108 | 2,942,275 | 3,206,650 | 2,932,213 | 12,650,839 | 7,997,212 | 1,630,687 | 36,870,417 |

Sub total 5 years → 14,709,970

### Sewer Grant Funding:

| SEW 11 | Effluent Export Line - Phase I (USACE 75% Funding) | (975,000) |       |       |
| SEW 14 | Effluent Export Line - Phase II (USACE 55% Funding) | (412,500) | (1,100,000) | (1,100,000) | (1,100,000) | (5,500,000) | (2,200,000) |       |

Sewer Grant Funding Total:

| Sewer Net Total | 1,403,225 | 1,738,108 | 1,842,275 | 2,106,650 | 1,832,213 | 7,159,839 | 5,797,212 | 1,630,687 | 23,492,917 |

Sub total 5 years → 8,922,470
EXHIBIT "S"
Subject: Re: 2011 Employee Bonuses - Follow Up
From: s4s@ix.netcom.com
Date: 7/6/2012, 7:42 AM
To: "Herron,Susan" <Susan_Herron@ivgid.org>
BCC: Wright Frank <alpinesportss@gmail.com>

Hello Susan -

On March 16, 2012 I made a request to examine public records evidencing bonuses paid to IVGID employees for 2011 work. Now nearly FOUR MONTHS LATER still no records.

Notwithstanding, Jim Smith has informed me he has a number he was able to secure during his interviews with IVGID employees. This tells me the records have been available for months and yet still I am provided with nothing.

When if ever are these records going to be made available to me for inspection?

Aaron Katz
WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS MARCH 13, 2019 REGULAR IVGID BOARD MEETING – AGENDA ITEM G(4) – OVERVIEW OF OPERATING BUDGET – WHAT A WASTE GIVEN THAT ACCORDING TO GM PINKERTON, THERE IS NO NEED TO INDIVIDUALLY APPROPRIATE EXPENSES BECAUSE ALL OF THEM ARE A “FUNCTION” OF EVERYTHING IVGID DOES AS A GENERAL IMPROVEMENT DISTRICT. MOREOVER, STAFF’S SCHEDULES ARE AS PHONY AS A THREE DOLLAR BILL!

Introduction: This agenda item introduces an overview of the District’s 2019-20 operating budget. But GM Pinkerton has told the Board and the public that it is unnecessary to budget for specific expenditures as long as they all fall under the generic “function” of operating a general improvement district (“GID”). So why the need to go through meaningless descriptions which in the end do not restrict staff from spending the public’s moneys on anything?

Moreover, staff’s schedules go out of the way to hide the fact they are budgeting for a $1.6 million or greater operational surplus plus an additional $1.4 million or more in proceeds of “smoothing.” And what’s the significance? If staff shared with the Board and the public that we are going to realize a surplus and don’t require $1.4 million of our Beach (“BFF”) and/or Recreation (“RFF”) Facility Fee(s), staff would have to reduce these fees by a like amount which would reduce the funds available for them to continue wasting. And that’s the purpose of this written statement.

GM Pinkerton’s Admissions on December 12, 2018: On December 12, 2018 GM Pinkerton gave the following testimony to the Board and the public explaining his justification for spending $788,137 on projects different than the effluent storage pond liner the Board had expressly appropriated, and staff had expressly represented:

“The first thing to remember is no matter what words we have in the narrative, if it’s th(e)...effluent project (then)...there are a whole series of different things that are charged to (that)...project. People can argue left and right that (an assigned expense)...is not part of the effluent project. But...anything from the (treatment) plant to Douglas County that has to do with the delivery of that effluent, and related to any of the work we’re doing on phase II, is part of the effluent project.”

In other words, do as I say rather than as I do!

---


If our GM is correct that the phase II of the Effluent Pipeline project can include essentially “anything...that has (anything) to do with the delivery of...effluent” (i.e., an expenditure by function rather than by description), then why the need to budget for individual operational expenditures? Simply budget to spend $X.00, and then let staff figure out where to spend it. Either Mr. Pinkerton is very, very wrong in his prior explanation, or the entire budget process is an incredible waste and exercise in deception.

Moreover, Staff is Guilty of Deceitfully Hiding the Fact it Has Budgeted a $1.6 Million or Greater Surplus at Diamond Peak Because Telling the Truth Would Mean Reducing the RFF/BFF By a Like Amount: At page 110 of the 3/13/2019 Board packet staff have created a summary of budgeted revenues (called sources) and expenses (called uses) it has assigned to “Ski” aka Diamond Peak. Look at the total “sources” ($7,669,349) compared to “uses” ($7,622,418)³. They pretty much balance one another out, don’t they? Well look a little closer under the “sources” portion of the summary.

Look at the “Facility Fee” line. Instead of budgeting to receive any of the RFF, staff have budgeted to give away or transfer somewhere $1,640,600 of revenues coming from other sources. What other sources? Well they cannot possibly be from Miscellaneous or Interfund revenues because there would be another $1.5 Million missing. So they have to be from Diamond Peak user fees and sales aka “charges for services.” In other words, instead of budgeting to realize $9.22 Million in sales revenue, staff have budgeted to realize $7.669 Million combined from all sources including sales. How can this be? Where has the minus $1.64 Million of RFFs gone? And whatever the answer, why hasn’t it been disclosed under the “uses” aka expenses portion of the summary? It’s called “financial transparency.”⁴

Look at the bottom of the summary. Under the actual 2017 fiscal year end (“FYE”) column staff reports $3.374 Million in profits (or surplus)! Not that I believe the truthfulness of the expenses reported which reduced gross revenues by a like amount, but assuming arguendo they were accurate, Diamond Peak actually generated more than $3.374M of profit this fiscal year because notwithstanding the fact staff told the Board and the public that the RFF was required, in part, to pay for the costs necessary to make Diamond Peak “available” to be used by those parcels/dwelling units actually assessed⁵, and some amount was actually collected for this purpose, none was required and none of this excess was returned to those whose parcels/dwelling units were involuntarily assessed.

³ A copy of this page is attached as Exhibit “A” to this written statement.
⁴ Go to https://www.yourtahoeplace.com/ivgid/financial-transparency.
⁵ See pages 404-405 of the packet of materials prepared by staff in anticipation of the Board’s April 27, 2016 meeting [“the 4/27/2016 Board packet” (https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Regular_Packet_4-27-16.pdf)]. Copies of these pages, which are part of the “Report for Collection of on the County Tax Roll of Recreation Standby and Service Charges” for fiscal year 2016-17 which was approved in its final form by the Board on May 18, 2016 as Resolution No. 1847, with asterisks next to ¶¶I and II which state that a RFF of $5,891,040 was “required...for the proper servicing of...bonds and...the administration, operation, maintenance and improvement of (the
Again look at the bottom of the summary. Under the actual 2018 FYE column staff reports $602,113 in profits (or surplus)! Again, not that I believe the truthfulness of the expenses reported which reduced gross revenues by a like amount, but assuming *arguendo* they were accurate, Diamond Peak actually generated *more* than $602,113 of profit this fiscal year because notwithstanding the fact staff told the Board and the public that the RFF was required, in part, to pay for the costs necessary to make Diamond Peak “available” to be used by those parcels/dwelling units actually assessed\(^6\), and some amount was actually collected for that purpose, *none* was required and *none* of this excess was returned to those whose parcels/dwelling units were involuntarily assessed.

Again look at the bottom of the summary. Under the actual 2019 FYE column, staff reports $1,819,500 in profits\(^7\) (or surplus)! Again, not that I believe the truthfulness of the expenses reported which will reduce gross revenues by a like amount, but assuming *arguendo* they are accurate, Diamond Peak will actually generate *more* than $1,819,500 of profit this fiscal year because notwithstanding the fact staff told the Board and the public that the RFF was required, in part, to pay for the costs necessary to make Diamond Peak “available” to be used by those parcels/dwelling units actually assessed\(^8\), and some amount was actually collected for that purpose, *none* will be required.

---

6 See pages 97-98 of the packet of materials prepared by staff in anticipation of the Board’s April 13, 2017 meeting [“the 4/13/2017 Board packet” (https://www.yourtahoeplace.com/uploads/pdf-igvid/BOT_Packet_Regular_4-13-17.pdf)]. Copies of these pages, which are part of the “Report for Collection of on the County Tax Roll of Recreation Standby and Service Charges” for fiscal year 2017-18 which was approved in its final form by the Board on May 24, 2017 as Resolution No. 1860, with asterisks next to ¶II and III which state that another RFF of $5,776,700 was “required...for the proper servicing of...bonds and...the administration, operation, maintenance and improvement of (the District’s recreational facilities, including Diamond Peak, and its)...equipment and facilities, are attached as Exhibit “C” to this written statement.

7 Actually, I expect that by the end of the current fiscal year, this number is going to be greater; perhaps $700,000 greater than estimated because of extended operations and greater than 2017-18 skier visits. I believe staff is downplaying the number because the higher the number, the greater the profits or surplus.

8 See pages 207-208 of the packet of materials prepared by staff in anticipation of the Board’s April 13, 2017 meeting [“the 4/11/2018 Board packet” (https://www.yourtahoeplace.com/uploads/pdf-igvid/BOT_Packet_Regular_4-11-2018.pdf)]. Copies of these pages, which are part of the “Report for Collection of on the County Tax Roll of Recreation Standby and Service Charges” for fiscal year 2018-19 which was approved in its final form by the Board on May 23, 2018 as Resolution No. 1865, with asterisks next to ¶II and III which state that another RFF of $5,776,700 was “required...for the proper servicing of...bonds and...the administration, operation, maintenance and improvement of (the District’s recreational facilities, including Diamond Peak, and its)...equipment and facilities, are attached as Exhibit “D” to this written statement.
and I predict none of this excess will be returned to those whose parcels/dwelling units are going to be involuntarily assessed.

So after the last three fiscal years, staff have reported nearly $5.8 Million of collective profits from Diamond Peak alone, those whose parcels/dwelling units were involuntarily assessed have not received any of it back, and now staff is budgeting for another $1.6 Million or more in additional profits. Something is very, very wrong here and it's not me, the messenger!

And Staff Are Guilty of Deceitfully Representing $100,390 of Budgeted Losses for Community Services Administration Because This is the Accounting Fund Where Staff Hide the Positive Cash Flow Coming From Diamond Peak: At page 156 of the 3/13/2019 Board packet staff have created a summary of budgeted revenues and expenses they have assigned to “Community Services Administration.” Look at the total “sources” ($343,181) compared to “uses” ($443,571)\(^9\). They pretty much balance one another, don’t they? Well guess what? This entire sheet is phony. There is no such thing as Community Services Administration, and there are no expenses to reduce revenues assigned/ transferred into this sub fund.

For years nearly no one other than Director of Finance Gerry Eick knew what the Community Services Administration sub fund was. That was until April 7, 2016 when Mr. Eick provided the answer. At pages 14-15 of the Board packet for the Board’s May 21, 2015 meeting, Mr. Eick told the public that $57 of each assessed parcel owner’s 2015-16 RFF (i.e., 7.8% of the total RFF) allegedly went to pay operational and capital costs associated with "Comm(unity) Services Administration." But on April 7, 2016 Mr. Eick admitted this representation was false. In testimony to the Board as a prelude to its adoption of a 5 year Capital Improvement Plan, Mr. Eick revealed that this entry was really nothing more than a discretionary "reserve" or "cushion" to accumulate funds which could be used for unforeseen recreation expenses or future CIPs. Listen to Mr. Eick’s admission in answer to former Trustee Hammerel’s questions pertaining to this entry\(^10\):

Mr. Eick: "I have used that venue title...as our discretionary fund...to make it clear...what we've accumulated through operations or will accumulate through operations to finance future expenditures."

Trustee Hammerel: "I understand it's kind of a built in cushion...(But) more importantly, I think we talked before about not only having a reserve fund for each (recreation) venue but then having an

\(^9\) A copy of this page is attached as Exhibit “E” to this written statement.

\(^10\) Although I can no longer point the reader to the Board packet where these documents exist (because staff have removed the packet from its web site), I can point him/her to the livestream where you can listen to former Trustee Hammerel’s questions and Mr. Eick’s responses (see 43:37-53:28 at http://livestream.com/lvGID/events/5144683).
(additional) umbrella (reserve) fund for all community services (venues)...is that what you're intending here for this Community Services Admin (entry)"

Mr. Eick: "That is correct!"

What Mr. Eick admitted was that for 2015-16, rather than being a legitimate standby service charge for the mere "availability to use" the public's recreational and beach facilities as well as the services offered thereat, this entry was $466,317 more than necessary to create a discretionary "cushion" or umbrella "reserve" so that just like smoothing (see discussion below), staff could accumulate funds to spend on future unidentified, unbudgeted and unappropriated pet projects.

Moreover, look at the "Charges for Services" line on Exhibit "A." Instead of budgeting to receive any of the represented charges for services, staff have budgeted to give away or transfer $748,600 of revenues coming from other sources. What other sources? Well they cannot possibly be from Investment or Miscellaneous revenues because there would be another $700,000 missing. So it has to be from the RFF. In other words, instead of budgeting to realize $1,091,781 of charges for services, staff have budgeted to realize $343,181 combined from all sources. How can this be? Where has the minus $748,600 of charges for service gone? And whatever the answer, why hasn't it been disclosed under the "uses" aka expenses portion of the summary?

Simply stated, this entire summary is phony!

And Staff Are Guilty of Deceitfully Representing $100,390 of Budgeted Losses for Community Services Administration Because This is the Accounting Fund Where Staff Hide the Positive Cash Flow Coming From "Smoothing." To those of you new to our community, "smoothing" represents portions of the RFF/BFF assigned to pay Non-Existent Servicing Costs Associated With Retired Recreation Bonds. Let's review.

a) The Servicing Costs Associated With a Retired 2003 $5.5 Million General Obligation Bond: As IVGID’s Chief Financial Officer, Mr. Eick is responsible for preparing the unaudited statistical sections of each year’s CAFR. Insofar as IVGID’s 2014 CAFR was concerned¹¹, that section begins at page 55. Since local property owners want to know where the RFF/BFF their properties are being involuntarily assessed are being spent, here Mr. Eick responds. The reader's attention is directed to the row on page 75 labeled "Golf/Tennis/Ski Bonds." There the reader will learn that according to Mr. Eick, for the ten fiscal years 2004-05 through and including 2013-14, $85 of each assessed parcel's RFF allegedly went to pay the servicing costs on a 2003 $5.5 million "Recreation Golf Imp." Bond. And if

the reader examines page 75 of the 2013 CAFR\textsuperscript{12}, he/she will learn that Mr. Eick made this same representation for the ten fiscal years 2003-04 through 2012-13.

Now take a look at page 38 of the 2013 CAFR under "Long-Term Debt." Look at the portion labeled "Outstanding Long-Term (Recreation) Debt as of June 30, 2012." There the reader will learn that the subject 2003 bond was issued on March 1, 2003, and it matured on March 1, 2013. In fact, this page states that the final $695,000 "principal outstanding" payment was scheduled to be paid in fiscal year 2012-13. \textit{And in fact it was!} In other words, when Mr. Eick made the representations he did in the 2014 CAFR, he knew \textbf{the 2003 bond had been retired prior to fiscal year 2013-14}. Given ¶II of each fiscal year's Report for Collection on the County Tax Roll\textsuperscript{13} represents that the RFF adopted for that year "is required, in part...for the proper servicing of...identified bonds," and the reader now understands that the 2013-14 RFF was not required to pay the servicing costs on the 2003 bond because it had been retired, \textbf{why did Mr. Eick represent that each parcel/dwelling unit owner's RFF had paid for this bond's servicing costs as a 2013-14 expense?} It's called "financial transparency."\textsuperscript{4}

At the Board's regular December 10, 2014 meeting it unanimously approved the 2014 CAFR in its then presented form, \textit{including the aforesaid page 75}, notwithstanding objections were raised during public comment\textsuperscript{14} because the page \textit{false}ly represents that $85 of every parcel/dwelling unit owner's 2013-14 RFF had gone to pay the servicing costs on a bond which had been retired prior to the beginning of the 2013-14 fiscal year. Because rather than being a legitimate standby service charge "for the proper servicing of...identified bonds," under Mr. Eick's tutelage as the architect of the District's financial reporting system, the Board has in essence budgeted the RFF/BFF at levels \textit{higher than necessary} so the excess can be made available to IVGID staff as a steady, dependable source of revenue for future unidentified, unbudgeted, unappropriated and unnecessary pet projects which just like a "tax" benefit the general public as a whole, rather than just those parcels which are assessed. Which again answers the question, \textbf{why does the RFF continue to pay for this bond's servicing costs?}

\textbf{b) The Servicing Costs Associated With a Retired 2004 $4.445 Million Recreation General Obligation Bond}: If the reader returns to page 38 of the 2014 CAFR, he/she will see there is

\begin{itemize}
\item \textsuperscript{12} See https://www.yourtahoeplace.com/uploads/pdf-ivgid/2013cafrreport_11_4_2013_final.pdf ("the 2013 CAFR").
\item \textsuperscript{13} See ¶II of Exhibits "B," "C" and "D."
\item \textsuperscript{14} The written minutes of that meeting appear at pages 241-295 of the packet of materials prepared by staff in anticipation of the Board's regular January 14, 2015 meeting ["the 1/14/2015 Board packet" (see https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT-Regular_Packet_Jan_14_2015.pdf)]. Page 246 from that packet reads as follows: "on page 93, there is a statement about the Recreation Fee and where it allegedly goes and that $85 went to payoff the 2003 bond...That bond was paid off in March 2013 (and) yet the District is publishing this report...telling the public and the world that this is (an) accurate" representation when it is not.
\end{itemize}
another recreation bond which was retired on/or before October 1, 2014; a $4.445 million 2004 "recreation refunding" bond. Given ¶11 of the Report for Collection on the County Tax Roll which supported the 2014-15 RFF expressly represented that the 2014-15 RFF adopted therein was "required(...in part)...for the proper servicing of...identified bonds," the reader can see that the 2014-15 RFF was not required to service the 2004 bond which had been retired. Yet the 2014-15 RFF was the same amount as the 2013-14 RFF. What happened to the portion of the 2014-15 RFF which had previously serviced the 2004 bond? It went to "smoothing." Which answers the question, why does the RFF continue to pay for this bond's servicing costs?

And Staff Are Guilty of Deceitfully Representing That $1,348,900 of Budgeted Central Services Revenue in the General Fund, is Really $1,348,900 of Budgeted Overspending Subsidized by the RFF/BFF and Utility Rates Local Residents Involuntarily Pay: At page 173 of the 3/13/2019 Board packet staff have created a summary of budgeted revenues and expenses it has assigned to its General Fund. Look at the total “sources” ($4,898,352) compared to “uses” ($4,891,369)\(^{15}\). They pretty much balance one another, don’t they? Well again, look a little closer under the “sources” portion of the summary. Specifically, look to “Central Services” income.

Do you have any idea what this is? Well let me tell you the truth. This represents transfers coming from the District’s recreation, beach and utility funds, to cover a like amount of overspending assigned to the General Fund. What kind of overspending. OVER compensation and OVER benefits assigned to IVGID’s senior staff. You know, GM Pinkerton, Finance Director Eick, Board Clerk Susan Herron, and right down the line. If you want to see the extent of overspending, take a look at IVGID’s latest report of some 980 employees’ salaries and benefits at transparentnevada.org\(^{16}\). Note the twelve employees earning in excess of $100,000 annually, just in salaries!

Take a look at Exhibit “B.” Ski is budgeted to transfer $388,700 in “Central Services” into the General Fund\(^{17}\). Take a look at Exhibit “F.” Community Services Administration is budgeted to transfer $19,300 into the General Fund\(^{17}\). The reader can go through each of the other summaries in staff’s presentation, and he/she will find similar expense entries. Every one of those entries represents transfers back into the General Fund to subsidize budgeted overspending. And again, this is called “financial transparency.”\(^{14}\)

Conclusion: Bottom line, these summaries have been doctored by Gerry Eick to make the less knowledgeable believe they accurately reflect the District’s financial position, and nearly $7 Million of RFFs/BFFs continue to be required to make the public’s recreational and beach facilities available to be used by those parcels/dwelling units which are being involuntarily assessed, when they are not necessary at all. Until the Board forces staff to open up the public’s books to a comprehensive internal

\(^{15}\) A copy of this page is attached as Exhibit “F” to this written statement.

\(^{16}\) Go to https://transparentnevada.com/salaries/2018/incline-village-general-improvement-district/.

\(^{17}\) I have placed an asterisk next to this entry.
audit, I and others I know cannot and do not believe anything staff represent. For these reasons I ask the Board not approve any of these financials, and it dig down to the truth.

One final note. The next time someone labels a financial disclosure page “financial transparency,” you should immediately conclude the exact opposite. For if the District’s financials were truly transparent, you wouldn’t need to be told this fact (you could figure this out for yourself), and you sure wouldn’t need someone like me explaining the truth.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!
### INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT

**SKI**

**PROPOSED OPERATING SOURCES AND USES FOR THE FISCAL YEAR ENDING JUNE 30, 2020**

<table>
<thead>
<tr>
<th>Sources:</th>
<th>Actual FYE - 17</th>
<th>Actual FYE - 18</th>
<th>Estimated FYE - 19</th>
<th>Approved Budget FYE - 19</th>
<th>Proposed Budget FYE - 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ad Valorem Property Tax</td>
<td>$ -</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
</tr>
<tr>
<td>Consolidated Taxes</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Charges for Services</td>
<td>11,326,968</td>
<td>9,155,646</td>
<td>10,700,000</td>
<td>8,898,800</td>
<td>9,222,320</td>
</tr>
<tr>
<td>Facility Fee</td>
<td>(1,227,693)</td>
<td>(1,636,874)</td>
<td>(1,642,000)</td>
<td>(1,642,000)</td>
<td>(1,640,600)</td>
</tr>
<tr>
<td>Investment income</td>
<td>(3,500)</td>
<td>23,220</td>
<td>24,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Miscellaneous Revenues</td>
<td>73,741</td>
<td>74,119</td>
<td>71,000</td>
<td>71,517</td>
<td>71,429</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interfund</td>
<td>15,284</td>
<td>10,329</td>
<td>-</td>
<td>16,200</td>
<td>16,200</td>
</tr>
<tr>
<td>Central Services</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Sources</strong></td>
<td>10,184,800</td>
<td>7,626,440</td>
<td>9,153,000</td>
<td>7,344,517</td>
<td>7,669,349</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Uses:</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Wages</td>
<td>2,636,401</td>
<td>2,767,963</td>
<td>2,850,000</td>
<td>2,867,877</td>
<td>2,950,495</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>754,107</td>
<td>847,817</td>
<td>950,000</td>
<td>978,691</td>
<td>985,297</td>
</tr>
<tr>
<td><strong>Total Personnel</strong></td>
<td>3,390,508</td>
<td>3,615,780</td>
<td>3,800,000</td>
<td>3,846,568</td>
<td>3,935,792</td>
</tr>
</tbody>
</table>

| Professional Services         | 10,500          | 35,800          | 23,000             | 23,100                   | 23,400                   |
| Services & Supplies           | 1,981,701       | 1,808,998       | 1,900,000          | 1,901,822                | 2,050,181                |
| Insurance                     | 200,852         | 199,812         | 195,000            | 201,960                  | 195,400                  |
| Utilities                     | 393,867         | 609,003         | 600,000            | 614,815                  | 604,945                  |
| Cost of Goods Sold            | 523,670         | 450,634         | 480,000            | 429,950                  | 424,000                  |
| Central Services              | 309,500         | 304,300         | 335,500            | 335,500                  | 388,700                  |
| Defensible Space              | -               | -               | -                  | -                        | -                        |
| **Total Services & Supplies** | 3,420,090       | 3,408,547       | 3,533,500          | 3,507,147                | 3,686,626                |

| General Fund Cap. Exp.        |                 |                 |                    |                          |                          |
| **Total Uses**                | 6,810,598       | 7,024,327       | 7,333,500          | 7,353,715                | 7,622,418                |

| Net Sources (Uses)           | $ 3,374,202     | $ 602,113       | $ 1,819,500        | (9,198)                  | $ 46,931                 |
EXHIBIT “B”
I. The following annual charges are for the availability of use of the recreational facilities above described, and such charges (excepting those charges collected directly by the District) shall be collected by the Washoe County Treasurer at the same time and in the same manner and by the same persons as, together with and not separately from, the general taxes for the District.

A. **Dwelling Unit Included in the District Prior to June 1, 1968.** $720 annual base Recreation Facility Fee for each dwelling unit, whether such unit stands alone or is part of a multiple unit residential structure and whether or not such unit is separately assessed by the County Assessor; and an additional $110 annual Beach Facility Fee pertaining to the use of the beaches or boat launching area. (For purposes hereof, a dwelling unit shall be placed on the roll at the earlier of the commencement of construction, site preparation, or utility meter installation on any portion of the lot on which the dwelling unit is located.)

B. **Other Parcels in the District Prior to June 1, 1968.** For each parcel separately assessed by the County Assessor, which parcel does not contain any dwelling units, $720 annual base Recreation Facility Fee and an additional $110 annual Beach Facility Fee pertaining to the use of the beaches or boat launching area.

C. **Properties Annexed After June 1, 1968.** Properties annexed to the District after June 1, 1968, shall have an annual base Recreation Facility Fee of $720. Properties annexed after June 1, 1968, are not entitled to the use of the beaches or boat launching area and pay no Beach Facility Fee.

D. **Exceptions.** Lots, parcels and areas of land used, or the portions thereof used, or intended to be used, for religious, purposes or educational purposes; common areas without occupied structures appurtenant to a condominium or townhouse cluster; and publicly owned lands, are excepted and excluded from the charges imposed by subsections A through C of this section. In addition, any parcel which is (1) undeveloped, and (2) subject to a deed restriction, acceptable to IVGID staff, preventing any and all development of the parcel in perpetuity, which deed restriction is recorded in the Washoe County Recorder's Office, and (3) whose owner agrees to waive in perpetuity on his own behalf as well as on behalf of his successors and assigns any right to demand in the future any recreation privileges arising from or associated with said parcel is also excepted and excluded from the charges imposed by subsections A through C of this section.

Any exception granted pursuant to paragraph I. D shall operate prospectively only from and after the date subsequent to which such exception is approved by the **Board of Trustees** of the Incline Village General Improvement District and no exception as created by the paragraph I. D shall have any retroactive application.
E. **Recreation Privileges.** Each parcel which is charged a Recreation and/or Beach Facility Fee is entitled to recreation privileges, as described in IVGID Ordinance No. 7, an Ordinance Establishing Recreation Privileges by the Incline Village General Improvement District.

F. **Governmental, Civic, or Social Groups of Guests.** Any group of persons which participates with Incline Village General Improvement District property owner groups, governmental, civic, or social groups, in recreation or other community projects, may, upon application by the sponsoring group of Incline Village General Improvement District property owners, and when approved as to the time and use of the Incline Village General Improvement District facilities, be granted beach privileges upon payment of a sum not to exceed $12.00 per person, the amount to be determined at the time of application.

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

2. Approval of use shall be for each specific group as to time and the activity, and shall be authorized in writing by the General Manager or his representatives of the Incline Village General Improvement District at least ten days prior to the requested group activity.

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

II. The amount of moneys required for the fiscal year extending from July 1, 2016, to June 30, 2017, has been determined by this Board to be about $5,891,040 for the Recreation Facility Fee and $851,840 for Beach Facility Fee for the proper servicing of said identified bonds and for the administration, operation, maintenance and improvement of said real properties, equipment and facilities.

III. Said sum has been apportioned among the several lots, pieces or parcels of real property, and dwelling units within the District in accordance with the applicable rates and charges prescribed and established therefore as set forth in this report.

IV. The lots and parcels of real property so charged have been described by their parcel numbers used by the County Assessor in the County Tax Roll for the fiscal year 2016-2017, which are by reference to maps prepared by and on file in the office of the County Assessor for said County.

V. The Board has, by resolution, elected and determined to have such charges for the forthcoming fiscal year collected on the general tax roll of the County of Washoe for said year, on which general District taxes are collected, in the same manner, by the same persons and at the same time, together with and not separately from its general District taxes.
I. The following annual charges are for the availability of use of the recreational facilities above described, and such charges (excepting those charges collected directly by the District) shall be collected by the Washoe County Treasurer at the same time and in the same manner and by the same persons as, together with and not separately from, the general taxes for the District.

A. Dwelling Unit Included in the District Prior to June 1, 1968. $705 annual base Recreation Facility Fee for each dwelling unit, whether such unit stands alone or is part of a multiple unit residential structure and whether or not such unit is separately assessed by the County Assessor; and an additional $125 annual Beach Facility Fee pertaining to the use of the beaches or boat launching area. (For purposes hereof, a dwelling unit shall be placed on the roll at the earlier of the commencement of construction, site preparation, or utility meter installation on any portion of the lot on which the dwelling unit is located.)

B. Other Parcels in the District Prior to June 1, 1968. For each parcel separately assessed by the County Assessor, which parcel does not contain any dwelling units, $705 annual base Recreation Facility Fee and an additional $125 annual Beach Facility Fee pertaining to the use of the beaches or boat launching area.

C. Properties Annexed After June 1, 1968. Properties annexed to the District after June 1, 1968, shall have an annual base Recreation Facility Fee of $705. Properties annexed after June 1, 1968, are not entitled to the use of the beaches or boat launching area and pay no Beach Facility Fee.

D. Exceptions. Lots, parcels and areas of land used, or the portions thereof used, or intended to be used, for religious purposes or educational purposes; common areas without occupied structures appurtenant to a condominium or townhouse cluster; and publicly owned lands, are excepted and excluded from the charges imposed by subsections A through C of this section. In addition, any parcel which is (1) undeveloped, and (2) subject to a deed restriction, acceptable to IVGID staff, preventing any and all development of the parcel in perpetuity, which deed restriction is recorded in the Washoe County Recorder’s Office, and (3) whose owner agrees to waive in perpetuity on his own behalf as well as on behalf of his successors and assigns any right to demand in the future any recreation privileges arising from or associated with said parcel is also excepted and excluded from the charges imposed by subsections A through C of this section.

Any exception granted pursuant to paragraph I. D shall operate prospectively only from and after the date subsequent to which such exception is approved by the Board of Trustees of the Incline Village General Improvement District and no exception as created by the paragraph I. D shall have any retroactive application.
E. **Recreation Privileges.** Each parcel which is charged a Recreation and/or Beach Facility Fee is entitled to recreation privileges, as described in I VGID Ordinance No. 7, an Ordinance Establishing Recreation Privileges by the Incline Village General Improvement District.

F. **Governmental, Civic, or Social Groups of Guests.** Any group of persons which participates with Incline Village General Improvement District property owner groups, governmental, civic, or social groups, in recreation or other community projects, may, upon application by the sponsoring group of Incline Village General Improvement District property owners, and when approved as to the time and use of the Incline Village General Improvement District facilities, be granted beach privileges upon payment of a sum not to exceed $12.00 per person, the amount to be determined at the time of application.

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

2. Approval of use shall be for each specific group as to time and the activity, and shall be authorized in writing by the General Manager or his representatives of the Incline Village General Improvement District at least ten days prior to the requested group activity.

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

II. The amount of moneys required for the fiscal year extending from July 1, 2017, to June 30, 2018, has been determined by this Board to be about $5,776,700 for the Recreation Facility Fee and $969,500 for Beach Facility Fee for the proper servicing of said identified bonds and for the administration, operation, maintenance and improvement of said real properties, equipment and facilities.

III. Said sum has been apportioned among the several lots, pieces or parcels of real property, and dwelling units within the District in accordance with the applicable rates and charges prescribed and established therefore as set forth in this report.

IV. The lots and parcels of real property so charged have been described by their parcel numbers used by the County Assessor in the County Tax Roll for the fiscal year 2017-2018, which are by reference to maps prepared by and on file in the office of the County Assessor for said County.

V. The Board has, by resolution, elected and determined to have such charges for the forthcoming fiscal year collected on the general tax roll of the County of Washoe for said year, on which general District taxes are collected, in the same manner, by the same persons and at the same time, together with and not separately from its general District taxes.
I. The following annual charges are for the availability of use of the recreational facilities above described, and such charges (excepting those charges collected directly by the District) shall be collected by the Washoe County Treasurer at the same time and in the same manner and by the same persons as, together with and not separately from, the general taxes for the District.

A. ** Dwelling Unit Included in the District Prior to June 1, 1968.** $705 annual base Recreation Facility Fee for each dwelling unit, whether such unit stands alone or is part of a multiple unit residential structure and whether or not such unit is separately assessed by the County Assessor; and an additional $125 annual Beach Facility Fee pertaining to the use of the beaches or boat launching area. (For purposes hereof, a dwelling unit shall be placed on the roll at the earlier of the commencement of construction, site preparation, or utility meter installation on any portion of the lot on which the dwelling unit is located.)

B. **Other Parcels in the District Prior to June 1, 1968.** For each parcel separately assessed by the County Assessor, which parcel does not contain any dwelling units, $705 annual base Recreation Facility Fee and an additional $125 annual Beach Facility Fee pertaining to the use of the beaches or boat launching area.

C. **Properties Annexed After June 1, 1968.** Properties annexed to the District after June 1, 1968, shall have an annual base Recreation Facility Fee of $705. Properties annexed after June 1, 1968, are not entitled to the use of the beaches or boat launching area and pay no Beach Facility Fee.

D. **Exceptions.** Lots, parcels and areas of land used, or the portions thereof used, or intended to be used, for religious purposes or educational purposes; common areas without occupied structures appurtenant to a condominium or townhouse cluster; and publicly owned lands, are excepted and excluded from the charges imposed by subsections A through C of this section. In addition, any parcel which is (1) undeveloped, and (2) subject to a deed restriction, acceptable to IVGID staff, preventing any and all development of the parcel in perpetuity, which deed restriction is recorded in the Washoe County Recorder's Office, and (3) whose owner agrees to waive in perpetuity on his own behalf as well as on behalf of his successors and assigns any right to demand in the future any recreation privileges arising from or associated with said parcel is also excepted and excluded from the charges imposed by subsections A through C of this section.

Any exception granted pursuant to paragraph I. D shall operate prospectively only from and after the date subsequent to which such exception is approved by the **Board of Trustees** of the Incline Village General Improvement District and no exception as created by the paragraph I. D shall have any retroactive application.
E. Recreation Privileges. Each parcel which is charged a Recreation and/or Beach Facility Fee is entitled to recreation privileges, as described in IVGID Ordinance No. 7, an Ordinance Establishing Recreation Privileges by the Incline Village General Improvement District.

F. Governmental, Civic, or Social Groups of Guests. Any group of persons which participates with Incline Village General Improvement District property owner groups, governmental, civic, or social groups, in recreation or other community projects, may, upon application by the sponsoring group of Incline Village General Improvement District property owners, and when approved as to the time and use of the Incline Village General Improvement District facilities, be granted beach privileges upon payment of a sum not to exceed $12.00 per person, the amount to be determined at the time of application.

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

2. Approval of use shall be for each specific group as to time and the activity, and shall be authorized in writing by the General Manager or his representatives of the Incline Village General Improvement District at least ten days prior to the requested group activity.

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

II. The amount of moneys required for the fiscal year extending from July 1, 2018, to June 30, 2019, has been determined by this Board to be about $5,776,700 for the Recreation Facility Fee and $969,500 for Beach Facility Fee for the proper servicing of said identified bonds and for the administration, operation, maintenance and improvement of said real properties, equipment and facilities.

III. Said sum has been apportioned among the several lots, pieces or parcels of real property, and dwelling units within the District in accordance with the applicable rates and charges prescribed and established therefore as set forth in this report.

IV. The lots and parcels of real property so charged have been described by their parcel numbers used by the County Assessor in the County Tax Roll for the fiscal year 2018-2019, which are by reference to maps prepared by and on file in the office of the County Assessor for said County.

V. The Board has, by resolution, elected and determined to have such charges for the forthcoming fiscal year collected on the general tax roll of the County of Washoe for said year, on which general District taxes are collected, in the same manner, by the same persons and at the same time, together with and not separately from its general District taxes.
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
COMMUNITY SERVICES ADMINISTRATION
PROPOSED OPERATING SOURCES AND USES
FOR THE FISCAL YEAR ENDING JUNE 30, 2020

<table>
<thead>
<tr>
<th>Sources:</th>
<th>Actual FYE - 17</th>
<th>Actual FYE - 18</th>
<th>Estimated Actual FYE - 19</th>
<th>Approved Budget FYE - 19</th>
<th>Proposed Budget FYE - 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ad Valorem Property Tax</td>
<td>$</td>
<td>-</td>
<td>$</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Consolidated Taxes</td>
<td></td>
<td>(573,542)</td>
<td>(758,480)</td>
<td>(725,000)</td>
<td>(510,600)</td>
</tr>
<tr>
<td>Charges for Services</td>
<td>842,767</td>
<td>913,137</td>
<td>886,680</td>
<td>886,680</td>
<td>1,041,781</td>
</tr>
<tr>
<td>Facility Fee</td>
<td>27,108</td>
<td>46,083</td>
<td>45,000</td>
<td>30,000</td>
<td>50,000</td>
</tr>
<tr>
<td>Investment income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Miscellaneous Revenues</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intergovernmental</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interfund</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Central Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Sources</strong></td>
<td>296,333</td>
<td>202,138</td>
<td>206,680</td>
<td>406,080</td>
<td>343,181</td>
</tr>
</tbody>
</table>

| Uses:                         |                |                |                          |                          |                          |
| Salaries & Wages              | 144,286        | 144,815        | 135,000                  | 122,353                  | 183,759                  |
| Employee Benefits             | 45,185         | 41,518         | 43,000                   | 43,256                   | 60,652                   |
| **Total Personnel**           | 189,471        | 186,333        | 178,000                  | 165,609                  | 244,411                  |

| Services & Supplies           |                |                |                          |                          |                          |
| Professional Services         | 330            | 6,858          |                          |                          |                          |
| Services & Supplies           | 42,120         | 42,467         | 60,000                   | 77,787                   | 71,256                   |
| Insurance                     | 13,090         | 7,812          | 12,000                   | 14,604                   | 8,604                    |
| Central Services              | 12,300         | 18,800         | 17,000                   | 17,000                   | 19,300                   |
| Defensible Space              | 97,046         | 95,228         | 100,000                  | 100,000                  | 100,000                  |
| **Total Services & Supplies** | 164,886        | 171,165        | 189,000                  | 209,391                  | 199,160                  |

| General Fund Cap. Exp.        |                |                |                          |                          |                          |
| **Total Uses**                | 354,357        | 357,498        | 367,000                  | 375,000                  | 443,571                  |

| Net Sources (Uses)            | $ (58,024)     | $ (155,360)    | $ (160,320)              | $ 31,080                 | $ (100,390)              |
EXHIBIT "F"
### INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
#### GENERAL FUND
#### PROPOSED OPERATING SOURCES AND USES
#### FOR THE FISCAL YEAR ENDING JUNE 30, 2020

<table>
<thead>
<tr>
<th>Sources:</th>
<th>Actual FYE - 17</th>
<th>Actual FYE - 18</th>
<th>Estimated Actual FYE- 19</th>
<th>Approved Budget FYE - 19</th>
<th>Proposed Budget FYE - 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ad Valorem Property Tax</td>
<td>$1,476,017</td>
<td>$1,533,905</td>
<td>$1,610,000</td>
<td>$1,611,738</td>
<td>$1,646,962</td>
</tr>
<tr>
<td>Consolidated Taxes</td>
<td>1,486,270</td>
<td>1,649,920</td>
<td>1,685,000</td>
<td>1,673,595</td>
<td>1,735,090</td>
</tr>
<tr>
<td>Charges for Services</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Facility Fee</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment income</td>
<td>51,680</td>
<td>89,960</td>
<td>150,000</td>
<td>136,600</td>
<td>165,000</td>
</tr>
<tr>
<td>Miscellaneous Revenues</td>
<td>3,198</td>
<td>2,047</td>
<td>2,600</td>
<td>3,600</td>
<td>2,400</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interfund</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Central Services</td>
<td>1,177,200</td>
<td>1,094,000</td>
<td>1,169,400</td>
<td>1,169,400</td>
<td>1,348,900</td>
</tr>
<tr>
<td><strong>Total Sources</strong></td>
<td><strong>4,194,365</strong></td>
<td><strong>4,369,832</strong></td>
<td><strong>4,617,000</strong></td>
<td><strong>4,596,933</strong></td>
<td><strong>4,898,352</strong></td>
</tr>
<tr>
<td>Uses:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries &amp; Wages</td>
<td>1,819,919</td>
<td>1,848,640</td>
<td>2,002,000</td>
<td>2,004,019</td>
<td>2,115,940</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>781,966</td>
<td>803,839</td>
<td>935,000</td>
<td>969,905</td>
<td>1,068,804</td>
</tr>
<tr>
<td><strong>Total Personnel</strong></td>
<td><strong>2,601,885</strong></td>
<td><strong>2,652,479</strong></td>
<td><strong>2,937,000</strong></td>
<td><strong>2,973,924</strong></td>
<td><strong>3,184,744</strong></td>
</tr>
<tr>
<td>Professional Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services &amp; Supplies</td>
<td>375,984</td>
<td>218,282</td>
<td>238,000</td>
<td>288,125</td>
<td>293,750</td>
</tr>
<tr>
<td>Insurance</td>
<td>479,503</td>
<td>562,451</td>
<td>600,000</td>
<td>673,375</td>
<td>768,185</td>
</tr>
<tr>
<td>Insurance</td>
<td>35,763</td>
<td>50,440</td>
<td>62,000</td>
<td>61,380</td>
<td>52,680</td>
</tr>
<tr>
<td>Utilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of Goods Sold</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Central Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Defensible Space</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Services &amp; Supplies</strong></td>
<td><strong>1,001,782</strong></td>
<td><strong>933,723</strong></td>
<td><strong>1,003,000</strong></td>
<td><strong>1,129,365</strong></td>
<td><strong>1,221,180</strong></td>
</tr>
<tr>
<td>General Fund Cap. Exp.</td>
<td>148,435</td>
<td>113,813</td>
<td>270,000</td>
<td>392,250</td>
<td>485,445</td>
</tr>
<tr>
<td><strong>Total Uses</strong></td>
<td><strong>3,752,102</strong></td>
<td><strong>3,700,015</strong></td>
<td><strong>4,210,000</strong></td>
<td><strong>4,495,539</strong></td>
<td><strong>4,891,369</strong></td>
</tr>
</tbody>
</table>

#### Net Sources (Uses)

|                | $442,263 | $669,817 | $407,000 | $101,394 | $6,983 |
WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS MARCH 13, 2019 REGULAR IVGID BOARD MEETING – AGENDA ITEM E(1) – REPORTS TO THE IVGID BOARD OF TRUSTEES (“BOARD”) – WHO IS THE TAHOE PROSPERITY CENTER (“TPS”), WHAT DOES IT HAVE TO DO WITH IVGID, AND WHY HAS IT BEEN GIVEN A SPOT ON THE AGENDA?

Introduction: So the Board’s agendas aren’t large enough? Its meetings don’t last long enough? And so we have another “under utilized asset” (i.e., Board meetings) we need to fill up with useless drivel? Yet we don’t give local citizens a place on the agenda where they can present their legitimate concerns to the Board? This explains agenda item E(1) and why the Board should put a stop to it and similar endeavors. And that’s the purpose of this written statement.

Who is TPS, and What Does it Have to Do With ANYTHING IVGID Has Been Created to Furnish? Take a look at pages 5-15 of the packet of materials prepared by staff in anticipation of this March 13, 2019 Board meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_3-13-19.pdf (“the 3/13/2019 Board packet’)]. There the reader will find a written presentation labeled “Uniting Tahoe’s Communities to Strengthen Regional Prosperity.” What does this presentation have to do with ANYTHING IVGID is empowered to address?

So I went to TPS’s web site (http://www.tahoeprosperity.org/about) in order to learn the answer. And here is what I discovered. It’s mission is to “unit(e) Tahoe’s communities to strengthen regional prosperity.” What is prosperity? “The condition of being successful or thriving, especially economic well-being.” What is TPS’ vision? “A prosperous, sustainable, healthy Lake Tahoe.”

What does TPS’ written presentation tell us is its vision and mission? “Transforming local housing options so that residents and workers can live, work and thrive in Lake Tahoe,” and “Accelerating housing solutions to produce, maintain, upgrade, reuse and unlock homes attainable for residents and workers in Lake Tahoe.”

Given IVGID is nothing more than a special district2 with limited basic powers, and none of those powers3 involve providing for the health, safety, welfare nor prosperity of Lake Tahoe, WHY IS THE BOARD GIVING TPS A FORUM ON THIS AGENDA?

Who Exactly Gave TPS a Spot on This Meeting’s Agenda? Let’s go to IVGID Policy No. 3.1.084 (“Agenda Preparation”) for the answer: “The Board Chair, in cooperation with the General Manager, is responsible for preparing the agenda for each meeting.” So the finger of responsibility must be pointed on Chairperson Kendra Wong.

---

1 See page 13 of the 3/13/2019 Board packet.
2 See NRS 308.020(2).
3 See NRS 318.116 for a list of a general improvement district’s (“GID’s”) permissible basic powers.
It is very popular in some circles these days to give awards to people regardless of their achievements. So tonight, I would like to award each member of our Board a special silver snowflake award. As the official ventriloquist puppets of the Pinkerton administration, our Board has excelled in their ability to faithfully mimic each and every command of Mrs. Pinkerton and Eick. Our community can rejoice in seeing all of IVGID’s wonderful new trucks around town, seeing lots of new paver stones, and be secure in the confidence that under the perky chesire cat smile of Chairman Wong and her two bobble heads, that absolutely nothing of substance will happen to our community infrastructure. Since the departure of Brad Johnson, not a single major project is on the books. Let me emphasize that, not a single major project is planned.

Speaking of “Books”, after four years of excellent snow conditions and spillover from Northstar, the Community Services Special Revenue Fund which accounts for all of the OPERATING REVENUES AND EXPENSES will have at the end of June over $10 million in the fund according to the current operating budget on tonight’s agenda. The Board of Trustees has a policy in place that states the appropriate level of fund balance should only be $4,200,000.

Thus there will be excess funds of almost $6 million, which should be used for the short fall in operating expenses before any more money is allocated from our Rec Fees.

Why does the budget being presented tonight, indicate that $2 million of our Rec Fee will be allocated to prop up operations, when it is obviously not needed. In fact, why do you even need to assess a rec fee this year?

At the same time, Pinkerton has stated that the Beach Funds does not have adequate money to build a new pool at Burnt Cedar Beach or build a new snack bar at Incline Beach. Would it not be wiser to allocate the $2,050,000, which is not needed for Community Services operations to the Beach Capital Projects Fund so the two projects at the Beaches can be accomplished?

What about the new bathrooms in the Beach master plan for Burnt Cedar? What about a new contemporary building for the Mountain Golf Course? What about finishing the effluent pipeline project.

Why not? — Because Ms Wong is a weak and feckless Chairman, and GM Pinkerton is incompetent to manage large projects without an able engineer who might actually challenge his worth as GM.

Why are you as a Board neglecting our valuable infrastructure? The question is naturally rhetorical, as IVGID with their so-called transparency never tells the public squat. Your answer to real questions like mine are to bring out your fan club to the board meetings, and tell you; what a good job you are doing, how nice the grooming is at Diamond Peak, and how much the ski team appreciates all that IVGID does for them.

Yes, I like the friendly staff at DP, the beaches, and the Golf Courses and they are under paid and over worked. But, I know when the Trustees and Staff are blowing smoke up my tailpipe.
March 13, 2019 IVGID Board of Trustees Meeting Public Comment
By: Margaret Martini – to be included with the Minutes of the Meeting

It is appalling to discover how little complete and accurate information is actually provided to our citizens in the Board packets. It is appalling to discover how irrelevant our Board has become as three Trustees continuously follow the General Manager and Legal Counsel’s directives and rubber stamp proposals that do not represent the best interests of our citizens.

Not a week goes by without a citizen uncovering another example of the District’s mismanagement, misappropriation of public funds or other misconduct. Decisions that should be made in public meetings are made behind closed doors. This is a recurrent violation of Open Meeting Law. Public Records requests are delayed or denied. Counsel should be engaged to represent the Board and ensure the District’s compliance with all Nevada laws and Board policy. Instead he repeatedly demonstrates an ignorance of those laws or a deliberate intent to circumvent them. Public money has been used on legal fees to shut down a local business and prevent a citizen from obtaining public records. How much money has actually been spent? We don’t know as the Bill pay on the District’s website doesn’t show all payments and public records for all legal bills have not been provided.

After spending more than $65,000 annually for a Federal lobbyist and $30,000 for NV legislative lobbyists, when did the Board approve and appropriate public funds to send the GM, the Director of Parks and Recreation, and Chairwoman Wong to Washington to lobby our Nevada delegation? What is the purpose of this trip and when did the Board approve this mission? And how much of our dollars are you spending?

The point is, our citizens are the last to know exactly how our money is being spent and the first to know that it isn’t being spent to serve our community’s best interests. If you were elected to serve us and took an oath to obey the laws of our State, why aren’t you?