ADDITIONAL PUBLIC COMMENT RECEIVED AUGUST 7, 2024

WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN MINUTES OF THE COMMITTEE ON LOCAL GOVERNMENT FINANCE'S REGULAR MEETING OF AUGUST 7, 2024 – AGENDA ITEM 4(b) – REPORT FROM THE INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT ("IVGID") REGARDING THE OUTCOME OF FORENSIC DUE DILIGENCE AUDIT AND UPCOMING 2023/2024 AUDIT

On July 15, 2024 I wrote to the Committee requesting the NDOT "notify" the Washoe County Board of Commissioners ("County Board"), in accordance with NRS 318.515¹. At that time I only provided evidence of four (4) specific instances of the Board's failure to comply with the provisions of chapter NRS 318 or any other law, and the District's inability to be properly managed. Since then the IVGID Board has noticed and held an August 6, 2024 meeting². And agendized for possible action "Review, Discuss(ion), and Possible...Direction Concerning the Pending Vacancy [the first week of October of 2024 of our third (3rd)] General Manager" in a scant two (2) years. As the Committee will see, this meeting revealed more evidence that the District is incapable of proper management.

The IVGID Board's meeting of August 6, 2024: According to our Director of Human Resources³, Erin Feore, she has "reached out to...(five) 5 Management Firms (both Commercial and Governmental), (five) 5 Executive Recruitment Firms (both Commercial and Governmental), and (four) 4 Personal Individuals. Of the fourteen (14) contacts (she has)...received five (5) responses: (from one) 1 Management Firm(, one) 1 Executive Recruitment Firm(, and three) 3 Personal Individuals;" in an effort to secure a new interim IVGID GM.

Response From the Single Executive Recruitment Firm That Responded: Since "this agency provides recruitment services for permanent placement of staff...they were not able to provide assistance or services in placing interim staff."

Responses From the Three Personal Individuals Who Responded: "Two...were recommended by BBK (our attorneys) and both have extensive backgrounds and experience in city or county

¹ NRS 318.515(1) instructs, in part, that "upon notification by the Department of Taxation... that: (a) a (general improvement) district...is not being properly managed;" or, "(b) the board of trustees of the district is not complying with the provisions of this chapter or with any other law...the board of county commissioners of the county in which the district is located shall hold a hearing to consider the notification."

² Go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/2024-0806_BOT_Agenda_Final.pdf.

 $^{^{3}~}Go~to~ https://www.yourtahoeplace.com/uploads/pdf-ivgid/2024-0806_BOT_ltemG1_Direction_General_Manager_Vacancy.pdf.$

management. Separately, one individual reached out to me (via email) advising of (his) interest in working with the District on an interim basis. He is...former General Manager" Bill Horn.

"The following is a summary of conversations had by Ms. Feore with two of the three individuals:

Person #1: Former interim City manager of small northern California town; worked closely with Community Services and Public Works. Decades of experience working with small communities, specializing in economic growth. Watched our July 10th Board meeting and understands IVGID may be seeking (the) services of (a) management company; agreed that given the identified deficiencies in each of the reports, it may require a team of professionals to work with the District to get those items addressed; however, (he) recommended (the) District also (or at some later date) employ a General Manager who will work directly with management company to ensure recommendations/ Board directives are carefully managed to completion."

This individual will be unacceptable because he/she has no experience in managing commercial, privately owned, "for profit," recreational business enterprises.

"Person #2: Decades of professional municipal government experience for both large and medium sized jurisdictions, with more than 30-years of executive and senior level leadership. Former interim city manager of small communities throughout California. Would work to ensure continued transparency and partnership with the Board of Trustees to see directives managed to completion.

Also understood the District's interest in working with a management organization and agreed that having a General Manager take the reins to ensure continued compliance and consistency would be extremely valuable."

This individual will be unacceptable because he/she has no experience in managing commercial, privately owned, "for profit," recreational business enterprises.

"Person #3: Former General Manager of IVGID; has a continued passion for this community and the services offered its residents...Would work with Board and staff to stabilize operations, evaluate current internal control policies for compliance, and identify strengths and weakness to improve current operations until such time as a permanent General Manager was hired by the Board of Trustees."

This individual (Bill Horn) will be unacceptable to a large segment of the community inasmuch as he put into practice many of the policies and procedures which have led to the District's current condition.

Response From the Single Management Firm That Responded: This is the one (Troon Management⁴) I would like the Committee to concentrate on.

Let's identify Troon Management: Troon represents it is "the world's largest professional club management company. (It) provide(s) services to 875+ locations...in 45+ states and 35+ countries... managing various amenities such as racquet, aquatics, fitness, food & beverage, lodging and more... This is accomplished by providing a foundation comprised of the best talent in the industry and cultivating the creativity of our 35K+ associates worldwide. Our successful culture, combined with 30+ years of experience, gives us the opportunity to develop the strategies that allow our clients to excel in this competitive industry."

Let's Listen to Troon Management's Analysis: "Following an extensive review of our organizational chart, current community services, recreation venues, and current operations, Mr. Goodrich (Troon Vice-President) quickly identified that bringing in a team of talented industry professionals would be their best recommendation to provide an overall operational assessment with the goal of implementing industry best practices, taking into account the Moss-Adams and Rubin Brown reports and recommendations. As noted in the attached proposal...by utilizing their team of professionals, Troon would work quickly to identify both operational successes and deficiencies and provide recommendations to the Board of Trustees. Following Board direction, Troon would (then) manage said change to completion, with the intent of analyzing those changes to ensure effective results. Finally, the Troon team would work with the Director of Human Resources and/or other identified individuals to assist with the hiring of a permanent General Manager."

Troon Management's Observations:

- 1. "IVGID has engaged multiple consultants (who)...do not have the expertise or resources to effectively execute on their recommendations."
- 2. Moreover, these consultants lack the "deeper operational knowledge to develop and implement to...maximize the resident lifestyle and guest experience."
- 3. The District's various "reports reviewed (demonstrate that the consultants the District have engaged)...do not understand the industry."
- 4. "Previous GM candidates have come from municipal backgrounds, which are...not characterized as Hospitality Centric, Efficient or Business focused."

⁴ Their written proposal can be viewed at https://www.yourtahoeplace.com/uploads/pdf-ivgid/2024-0806_BOT_Supplemental_ItemG1_Troon_Proposal-compressed.pdf.

- 5. "Expectations have been that (any new) GM will have the capability, bandwith, and experience to impact change across all departments. (But this) is not realistic."
- 6. "It is impossible to think one individual will have the experience and capabilities to...meet the expectation(s) of...IVGID without additional support."

And financially, no general improvement district in the State, and certainly not IVGID, can afford this additional support.

Conclusion: Isn't all of this evidence the District has not and is not being properly managed? Because if the answer is yes, we've satisfied the first pillar of the NRS 318.515(1) inquiry as a prelude to notification, haven't we? That is, that "(a) a district of which the board of county commissioners is not the board of trustees is **not being properly managed**."

How many experts does the CLGF have to hear from⁵ before it reaches the conclusion IVGID is not being properly managed?

Respectfully submixted

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⁵ Troon? RubinBrown? Moss-Adams? Raftelis? The individual candidates identified above?

From: <u>s4s@ix.netcom.com</u>
To: <u>Chali Spurlock</u>

Subject: Aug 7, 2024 Regular CLGF Meeting - Agenda Item 4(b) - REPORT FROM THE INCLINE VILLAGE GENERAL

IMPROVEMENT DISTRICT ("IVGID") REGARDING THE OUTCOME OF FORENSIC DUE DILIGENCE AUDIT AND

UPCOMING 2023/2024 AUDIT

Date: Tuesday, August 6, 2024 3:28:43 PM

Attachments: public.comments.CLGF.8.7.2024.re.WC.notification.pdf

WARNING - This email originated from outside the State of Nevada. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Hello Ms. Spurlock -

I plan on appearing at tomorrow morning's meeting and giving public comment on the agendized subject matter above.

I plan on presenting a written statement I will request be included in the minutes of that meeting pursuant to NRS 241.035(1)(d).

In anticipation thereof, I have attached to this e-mail said written statement in digitized form. If you wouldn't mind making a copy available to Committee members in anticipation of my comments, it would be appreciated.

Thank you. Aaron Katz