

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT

IVGID FINAL BUDGET



INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
893 Southwood Boulevard
Incline Village Nevada, 89451

IVGID.ORG

Serving the communities of Incline Village and Crystal Bay, Nevada

Nevada Department of Taxation
3850 Arrowhead Dr., 2nd Floor
Carson City, NV 89706

Incline Village General Improvement District herewith submits the Final budget for the
fiscal year ending June 30, 2026

This budget contains 1 funds, including Debt Service, requiring property tax revenues totaling \$ 2,267,486

The property tax rates computed herein are based on preliminary data. If the final state computed revenue limitation permits, the tax rate will be increased by an amount not to exceed 1%. If the final computation requires, the tax rate will be lowered.

This budget contains 1 governmental fund types with estimated expenditures of \$ 8,425,470 and
4 proprietary funds with estimated expenses of \$ 51,685,670

Copies of this budget have been filed for public record and inspection in the offices enumerated in NRS 354.596 (Local Government Budget and Finance Act)

CERTIFICATION

Jessira O'Connell
(Print Name)
Director of Finance
(Title)
certify that all applicable funds and financial
operations of this Local Government are
listed herein
Signed: [Signature]
Dated: 5.30.25

Phone: _____

APPROVED BY THE GOVERNING BOARD
Only necessary for FINAL Budget
(Signature by DocuSign is acceptable)

Michaela Torkington
[Signature]
Signed by: David Noble

SCHEDULED PUBLIC HEARING:
(Must be held from May 19, 2025 to May 31, 2025)

Date and Time 05.25.25 12pm

Publication Date 05.16.25 & 05.23.25

Place 893 Southwood Blvd.
Incline Village, NV 89451

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Schedule 1

FORM 4404LGF

Last Revised 1/3/23

FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION

	ACTUAL PRIOR YEAR YEAR 06/30/24	ESTIMATED CURRENT YEAR YEAR 06/30/25	BUDGET YEAR YEAR 06/30/26
General Government	43.40	44.40	28.50
General Administration			3.00
Finance			11.50
Information Technology			6.00
Human Resources			8.00
TOTAL GENERAL GOVERNMENT	43.40	44.40	28.50
Utilities	40.20	41.20	53.12
Community Services-Recreation	187.30	187.30	182.52
Beach			7.02
TOTAL	270.9	272.90	271.16

POPULATION (AS OF JULY 1)	9087	9087	9387
SOURCE OF POPULATION ESTIMATE*			
Assessed Valuation (Secured and Unsecured Only)	2,450,005,030	2,494,698,251	2,769,257,411
Net Proceeds of Mines	-	-	-
TOTAL ASSESSED VALUE	2,450,005,030	2,494,698,251	2,769,257,411
TAX RATE	0.137	0.137	0.1468
General Fund			
Special Revenue Funds			
Capital Projects Funds			
Debt Service Funds			
Enterprise Fund			
Other			
TOTAL TAX RATE	0.137	0.137	0.1468

* Use the population certified by the state in March each year. Small districts may use a number developed per the instructions (page 6) or the best information available.

Incline Village General Improvement District
(Local Government)

SCHEDULE S-2 - STATISTICAL DATA

PROPERTY TAX RATE AND REVENUE RECONCILIATION

Fiscal Year 2025-2026

Revenue Projections March 15 Col 1 2 3

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	ALLOWED TAX RATE	ASSESSED VALUATION	ALLOWED AD VALOREM REVENUE [(1) X (2)/100]	TAX RATE LEVIED	TOTAL AD VALOREM REVENUE WITH NO CAP [(2, line A)X(4)/100]	AD VALOREM TAX ABATEMENT [(5) - (7)]	AD VALOREM REVENUE WITH CAP	NET PROCEEDS OF MINERAL REVENUE [(2, line B) X (4)/100]	BUDGETED AD VALOREM REVENUE WITH CAP PLUS REVENUE FROM NPM [(7) +(8)]
OPERATING RATE:									
A. PROPERTY TAX Subject to Revenue Limitations	0.1249	2,769,257,441	3,458,803	0.1249	3,458,803	1,544,901	1,913,902	XXXXXXXXXXXXXX	
B. PROPERTY TAX Outside Revenue Limitations: Net Proceeds of Mines	0.1249	-			XXXXXXXXXXXXXX				
VOTER APPROVED:									
C. Voter Approved Overrides	-	2,769,257,441	-						
LEGISLATIVE OVERRIDES									
D. Accident Indigent (NRS 428.185)	-		-						
E. Indigent (NRS 428.285)	-		-						
F. Capital Acquisition (NRS 354.59815)	-		-						
G. Youth Services Levy (NRS 62B.150, 62B.160)	-		-						
H. Legislative Overrides	-		-						
I. SCCRT Loss (NRS 354.59813)	0.0219		605,291	0.0219	605,291	269,707	335,584		
J. Other:									
K. Other:									
L. SUBTOTAL LEGISLATIVE OVERRIDES	0.0219		605,291			269,707	335,584		
M. SUBTOTAL A, C, L	0.1468	-	4,064,094		4,064,094	1,814,608	2,249,486		
N. Debt									
O. TOTAL M AND N	0.1468	-	4,064,094	0.1468	4,064,094	1,814,608	2,249,486		2,249,486

Incline Village General Improvement District
(Local Government)
SCHEDULE S-3 - PROPERTY TAX RATE
AND REVENUE RECONCILIATION

The Allowed Revenue required for column 3 can be obtained from the March 15 Final Revenue Projections or manually calculated.
If an entity chooses to budget for an amount in column 5 which is lower or higher than the amount produced by the formula,
please attach an explanation.

Budget Summary for Incline Village General Improvement District
(Local Government)

Page 4
Schedule A

SCHEDULE A-1 ESTIMATED EXPENDITURES AND OTHER FINANCING USES

Budget For Fiscal Year Ending June 30, 2026

Budget Summary for Incline Village General Improvement District
(Local Government)

[illegible]

* FUND TYPES:

R - Special Revenue
C - Capital Projects
D - Debt Service
T - Expendable Trust

^{ww} Include Debt Service Requirements in this column

*** Capital Outlay must agree with CIP.

FORM 4404LGF

Last Revised 7/24/2025

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Schedule A-1

SCHEDULE A-2 PROPRIETARY AND NONEXPENDABLE TRUST FUNDS

Budget For Fiscal Year Ending June 30, 2026

Budget Summary for Incline Village General Improvement District
(Local Government)

FUND NAME	*	OPERATING REVENUES (1)	OPERATING EXPENSES (2) **	NONOPERATING REVENUES (3)	NONOPERATING EXPENSES (4)	OPERATING TRANSFERS		NET INCOME (7)
						IN (5)	OUT(6)	
Utilities Fund	E	21,103,800	17,263,320	450,000	547,600	1,600,000	1,610,400	3,732,480
Community Services Fund	E	31,066,470	25,324,480	335,700	739,370		2,221,200	3,117,120
Beach Fund	E	7,153,580	3,273,300	100,000	46,000		218,900	3,715,380
Internal Services Fund	I	-	4,491,600	-		4,491,600		-
TOTAL		59,323,850	50,352,700	885,700	1,332,970	6,091,600	4,050,500	10,564,980

* FUND TYPES: E - Enterprise
I - Internal Service
N - Nonexpendable Trust

** Include Depreciation

	(1)	(2)	(3) (4) BUDGET YEAR ENDING 6/30/26	
	ACTUAL PRIOR YEAR ENDING 6/30/2024	ESTIMATED CURRENT YEAR ENDING 6/30/2025	Tentative	FINAL APPROVED
REVENUES				
Taxes:				
Property Tax	2,142,172	2,228,155	2,249,486	2,249,486
Governmental Services Tax	18,705	18,000	18,000	18,000
Subtotal Taxes:	2,160,877	2,246,155	2,267,486	2,267,486
Intergovernmental:				
Consolidated Tax (CTX)	1,761,495	1,816,461	1,883,000	1,883,000
State Grants			-	-
Subtotal Intergovernmental:	1,761,495	1,816,461	1,883,000	1,883,000
Miscellaneous:				
Investment Income	47,302	111,000	-	50,000
Other	382,975	557,113	312,000	312,000
Subtotal Other:	430,277	668,113	312,000	362,000
SUBTOTAL REVENUE ALL SOURCES	4,352,649	4,730,729	4,462,486	4,512,486
OTHER FINANCING SOURCES				
Transfers In (Schedule T)				
CSC-Central Service Cost Transfer In	1,956,499	3,742,043	3,100,000	4,050,500
Proceeds of Long-term Debt				
Other				
SUBTOTAL OTHER FINANCING SOURCES	1,956,499	3,742,043	3,100,000	4,050,500
Total Resources	6,309,148	8,472,772	7,562,486	8,562,986
BEGINNING FUND BALANCE	4,682,526	1,300,945	1,599,984	1,599,984
Prior Period Adjustments	(1,397,117)			
Residual Equity Transfers				
TOTAL BEGINNING FUND BALANCE	3,285,409	1,300,945	1,599,984	1,599,984
TOTAL AVAILABLE RESOURCES	9,594,557	9,773,717	9,162,470	10,162,970

Incline Village General Improvement District
(Local Government)
SCHEDULE B - GENERAL FUND

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Schedule B-9

GENERAL GOVERNMENT	(1)	(2)	(3)	(4)
EXPENDITURES BY FUNCTION AND ACTIVITY	ACTUAL PRIOR YEAR ENDING 6/30/2024	ESTIMATED CURRENT YEAR ENDING 6/30/2025	BUDGET YEAR ENDING 6/30/26 Tentative	BUDGET YEAR ENDING 6/30/26 FINAL APPROVED
General Administration				
Salaries and Wages	285,388	22,563	60,100	61,000
Employee Benefits	40,919	21,145	33,100	33,400
Services and Supplies	1,064,247	594,306	934,304	777,904
Capital Outlay	94,708	275,000		
Subtotal General Administration	1,485,262	913,014	1,027,504	872,304
Parks				
Salaries and Wages	442,436	521,842		
Employee Benefits	145,313	146,067		
Services and Supplies	440,153	667,760		
Subtotal Communications	1,027,902	1,335,669	-	-
General Manager				
Salaries and Wages	559,779	645,702	744,200	710,400
Employee Benefits	101,557	253,757	282,300	282,300
Services and Supplies	59,149	15,222	33,000	33,000
Subtotal General Manager	720,485	914,681	1,059,500	1,025,700
Trustees				
Salaries and Wages	97,937	105,249	108,900	108,900
Employee Benefits	27,471	35,973	39,264	39,264
Services and Supplies	13,974	16,900	94,600	94,600
Subtotal Trustees	139,382	158,122	242,764	242,764
Finance				
Salaries and Wages	1,124,680	1,141,901	1,433,800	1,540,400
Employee Benefits	375,723	539,321	747,300	777,652
Services and Supplies	622,006	216,691	454,700	365,700
Subtotal Finance	2,122,409	1,897,913	2,635,800	2,683,752
Information Services & Technology				
Salaries and Wages	602,659	668,346	711,700	672,000
Employee Benefits	283,109	315,313	373,800	353,300
Services and Supplies	508,469	393,053	623,490	596,490
Subtotal Information Services	1,394,237	1,376,712	1,708,990	1,621,790
Risk Management				
Salaries and Wages	56,995	160,654	192,300	191,700
Employee Benefits	33,133	60,304	99,100	98,800
Services and Supplies	13,569	24,100	36,711	36,710
Subtotal Risk Management	103,697	245,058	328,111	327,210
Human Resources				
Salaries and Wages	593,430	626,177	603,400	703,300
Employee Benefits	278,849	338,917	338,300	399,900
Services and Supplies	169,492	102,920	296,095	296,650
Subtotal Human Resources	1,041,771	1,068,014	1,237,795	1,399,850
Health & Wellness				
Salaries and Wages	46,858	43,518	20,300	20,300
Employee Benefits	13,970	19,968	10,100	10,100
Services and Supplies	4,574	12,970	1,600	1,600
Subtotal Health & Wellness	65,402	76,456	32,000	32,000
Community Relations				
Salaries and Wages	108,876	109,833	116,600	117,100
Employee Benefits	59,324	60,250	68,400	68,400
Services and Supplies	24,865	18,011	34,600	34,600
Subtotal Communications	193,065	188,094	219,600	220,100
FUNCTION SUBTOTAL	8,293,612	8,173,733	8,492,064	8,425,470

Incline Village General Improvement District
(Local Government)

SCHEDULE B - GENERAL FUND

FUNCTION General Government

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Schedule B-10

FORM 4404LGF

Last Revised 7/29/2025

EXPENDITURES BY FUNCTION AND ACTIVITY	(1) ACTUAL PRIOR YEAR ENDING 6/30/2024	(2) ESTIMATED CURRENT YEAR ENDING 6/30/2025	(3) (4) BUDGET YEAR ENDING 6/30/26	
			Tentative	FINAL APPROVED
PAGE FUNCTION SUMMARY				
General Government				
Salaries and Wages	3,919,038	4,045,785	3,991,300	4,125,100
Employee Benefits	1,359,368	1,791,015	1,991,664	2,063,116
Services and Supplies	2,920,498	2,061,933	2,509,100	2,237,254
Capital Outlay	94,708	275,000	-	-
Function Sub-total	8,293,612	8,173,733	8,492,064	8,425,470
TOTAL EXPENDITURES - ALL FUNCTIONS	8,293,612	8,173,733	8,492,064	8,425,470
OTHER USES:				
CONTINGENCY (Not to exceed 3% of Total Expenditures all Functions)				128,000
Transfers Out (Schedule T)				
TOTAL EXPENDITURES AND OTHER USES	8,293,612	8,173,733	8,492,064	8,553,470
ENDING FUND BALANCE:	1,300,945	1,599,984	670,406	1,609,500
TOTAL GENERAL FUND COMMITMENTS AND FUND BALANCE	9,594,557	9,773,717	9,162,470	10,162,970

Incline Village General Improvement District
 (Local Government)
 SCHEDULE B - GENERAL FUND

SCHEDULE B SUMMARY - EXPENDITURES, OTHER USES AND FUND BALANCE
 GENERAL FUND - ALL FUNCTIONS

UTILITY FUND

PROPRIETARY FUND	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/26	
	ACTUAL PRIOR YEAR ENDING 6/30/2024	ESTIMATED CURRENT YEAR ENDING 6/30/2025	Tentative	FINAL APPROVED
OPERATING REVENUE				
Charges for Services	15,908,589	17,468,865	19,361,100	21,103,800
Total Operating Revenue	15,908,589	17,468,865	19,361,100	21,103,800
OPERATING EXPENSE				
Salaries & Benefits	5,580,457	6,112,229	6,460,100	6,454,900
Services & Supplies	5,165,456	7,804,784	6,228,210	6,408,420
Depreciation/Amortization	4,377,217	-	4,400,000	4,400,000
Total Operating Expense	15,123,130	13,917,013	17,088,310	17,263,320
Operating Income or (Loss)	785,459	3,551,852	2,272,790	3,840,480
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	1,276,787	352,600	450,000	450,000
Lease Revenue	-	-	-	-
Capital Funding	364,011	-	1,600,000	1,600,000
EXPENSES				
Interest Expense	92,006	215,067	322,600	322,600
Contingency Funds	-	-	-	225,000
Total Nonoperating Revenues (expenses)	1,548,792	137,533	1,727,400	1,502,400
Net Income before Operating Transfers	2,334,251	3,689,385	4,000,190	5,342,880
Capital Contributions and Transfers (Schedule T)				
Transfers In				
Transfers Out				
Transfer Out-Central Services Costs	629,130	1,471,647	1,349,000	1,610,400
Net Operating Transfers	629,130	1,471,647	1,349,000	1,610,400
CHANGE IN NET POSITION	1,705,121	2,217,738	2,651,190	3,732,480

Ties to Fin Stmt & 4404 PY

Incline Village General Improvement District
(Local Government)

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Schedule F-1

UTILITY FUND

PROPRIETARY FUND	(1)	(2)	(3) (4) BUDGET YEAR ENDING 6/30/26	
	ACTUAL PRIOR YEAR ENDING 6/30/2024	ESTIMATED CURRENT YEAR ENDING 6/30/2025	Tentative	FINAL APPROVED
A. CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users	15,789,313	17,468,865	19,361,100	21,103,800
Receipts from interfund services	62,560	-	-	-
Receipts from operating grants				
Payments to and for employees	(5,450,188)	(6,112,229)	(6,460,100)	(6,454,900)
Payments to vendors	(5,562,250)	(7,804,784)	(6,228,210)	(6,408,420)
a. Net cash provided by (or used for) operating activities	4,839,435	3,551,852	6,672,790	8,240,480
B. CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
TRANSFER FROM OTHER FUNDS	-	-	-	-
Transfer out- Central Service Costs	(629,130)	(1,471,647)	(1,349,000)	(1,610,400)
Contingency Funds				(225,000)
b. Net cash provided by (or used for) noncapital financing activities	(629,130)	(1,471,647)	(1,349,000)	(1,835,400)
C. CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of capital assets (Capital outlay)	(15,330,960)	(9,576,499)	(27,135,000)	(28,845,000)
Proceeds for Capital Grant Funding	364,011	10,000,000	23,000,000	23,000,000
Proceeds for Capital Borrowing	4,309,437			
Payments of principal capital related debt	(455,825)		203,370	203,370
Payment of interest	(60,477)	(365,600)	(322,600)	(322,600)
c. Net cash provided by (or used for) capital and related financing activities	(11,173,814)	57,901	(4,254,230)	(5,964,230)
D. CASH FLOWS FROM INVESTING ACTIVITIES:				
Investment Earnings (loss)	1,238,760	352,600	450,000	450,000
d. Net cash provided by (or used in) investing activities	1,238,760	352,600	450,000	450,000
NET INCREASE (DECREASE) in cash and cash equivalents (a+b+c+d)	(5,724,749)	2,490,706	1,519,560	890,850
CASH AND CASH EQUIVALENTS AT JULY 1, 20xx	22,778,835	17,054,086	19,544,792	19,544,792
CASH AND CASH EQUIVALENTS AT JUNE 30, 20xx	17,054,086	19,544,792	21,064,352	20,435,642

Incline Village General Improvement District
(Local Government)

SCHEDULE F-2 STATEMENT OF CASH FLOWS

Utility Fund

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Schedule F-2

FORM 4404LGF

Last Revised 7/24/2025

COMMUNITY SERVICES				
PROPRIETARY FUND	(1)	(2)	(3)	(4)
	ACTUAL PRIOR YEAR ENDING 6/30/2024	ESTIMATED CURRENT YEAR ENDING 6/30/2025	BUDGET YEAR ENDING 6/30/2026	
			Tentative	FINAL APPROVED
OPERATING REVENUE				
Charges for Services	20,981,651	23,399,650	24,115,500	25,101,550
Facility Fee	2,338	1,233,150	4,448,000	5,947,920
Operating Grants	21,741	67,000	17,000	17,000
Total Operating Revenue	21,005,730	24,699,800	28,580,500	31,066,470
OPERATING EXPENSE				
Salaries & Benefits	11,741,620	11,696,329	13,234,800	11,915,800
Services & Supplies	7,744,399	9,143,364	11,905,940	10,508,680
Depreciation/Amortization	2,934,256	-	2,900,000	2,900,000
Total Operating Expense	22,420,275	20,839,693	28,040,740	25,324,480
Operating Income or (Loss)	(1,414,545)	3,860,107	539,760	5,741,990
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	805,562	439,800	194,800	194,800
Lease Revenue	208,022	-	136,400	136,400
Other income	10,596	135,783	4,500	4,500
EXPENSES				
Interest Expense	1,874	-	-	-
Contingency Fund	-	-	-	739,370
Total Nonoperating Revenues (EXPENSES)	1,022,306	575,583	335,700	(403,670)
Total Nonoperating Expenses	-	-	-	-
Net Income or (Loss) before Operating Transfers	(392,239)	4,435,690	875,460	5,338,320
Capital Contributions and Transfers (Schedule T)				
Transfers In				
Transfers Out				
Transfer Out-Central Services Cost	1,188,682	2,045,972	1,641,000	2,221,200
Net Operating Transfers	(1,188,682)	(2,045,972)	(1,641,000)	(2,221,200)
CHANGE IN NET POSITION	(1,580,921)	2,389,718	(765,540)	3,117,120
Ties to Fin Stmt & 4404 PY				
<p style="text-align: center;">Incline Village General Improvement District (Local Government)</p> <p style="text-align: center;">SCHEDULE F-1 REVENUES, EXPENSES AND NET POSITION</p> <p style="text-align: center;">Community Services Fund</p>				
			Page <u>12</u>	
			Schedule F-1	

COMMUNITY SERVICES

<u>PROPRIETARY FUND</u>	(1) ACTUAL PRIOR YEAR ENDING 6/30/2024	(2) ESTIMATED CURRENT YEAR ENDING 6/30/2025	(3) (4) BUDGET YEAR ENDING 6/30/26	
			Tentative	FINAL APPROVED
A. CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users	20,619,876	23,399,650	24,115,500	25,101,550
Receipts from facility fees	2,338	1,233,150	4,448,000	5,947,920
Receipts from operating grants	21,741	67,000	17,000	17,000
Payments to and for employees	(11,633,095)	(11,696,329)	(13,234,800)	(11,915,800)
Payments to vendors	(7,159,701)	(9,143,364)	(11,905,940)	(10,508,680)
a. Net cash provided by (or used for) operating activities	1,851,159	3,860,107	3,439,760	8,641,990
B. CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
TRANSFER FROM OTHER FUNDS				
Transfer Out-Central Service Cost	(1,188,682)	(2,045,972)	(1,641,000)	(2,221,200)
Contingency Funds				(739,370)
b. Net cash provided by (or used for) noncapital financing activities	(1,188,682)	(2,045,972)	(1,641,000)	(2,960,570)
C. CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of capital assets (Capital outlay)	(2,848,808)	(2,696,034)	(5,935,000)	(8,981,000)
Payments of principal capital related debt	(16,641)			
Payment of interest	(1,874)			
c. Net cash provided by (or used for) capital and related financing activities	(2,867,323)	(2,696,034)	(5,935,000)	(8,981,000)
D. CASH FLOWS FROM INVESTING ACTIVITIES:				
Investment Earnings (losses)	747,979	439,800	194,800	194,800
Non-operating Leases			136,400	136,400
Other income			4,500	4,500
d. Net cash provided by (or used in) investing activities	747,979	439,800	335,700	335,700
NET INCREASE (DECREASE) in cash and cash equivalents (a+b+c+d)	(1,456,867)	(442,099)	(3,800,540)	(2,963,880)
CASH AND CASH EQUIVALENTS AT JULY 1, 20xx	20,797,786	19,340,919	18,898,820	18,898,820
CASH AND CASH EQUIVALENTS AT JUNE 30, 20xx	19,340,919	18,898,820	15,098,280	15,934,940

Incline Village General Improvement District
(Local Government)

SCHEDULE F-2 STATEMENT OF CASH FLOWS
Community Services Fund

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Schedule F-2

PROPRIETARY FUND	(1)	(2)	(3)	(4)
	ACTUAL PRIOR YEAR ENDING 6/30/2024	ESTIMATED CURRENT YEAR ENDING 6/30/2025	BUDGET YEAR ENDING 06/30/2026	
			Tentative	FINAL APPROVED
OPERATING REVENUE				
Charges for Services	1,483,753	1,401,700	1,288,550	2,043,270
Facility Fees	3,539,409	2,328,600	5,274,500	5,110,310
Total Operating Revenue	5,023,162	3,730,300	6,563,050	7,153,580
OPERATING EXPENSE				
Salaries & Benefits	1,621,831	1,255,000	1,922,000	1,722,500
Services & Supplies	928,372	905,106	1,225,350	1,150,800
Depreciation/Amortization	365,851	-	400,000	400,000
Total Operating Expense	2,916,054	2,160,106	3,547,350	3,273,300
Operating Income or (Loss)	2,107,108	1,570,194	3,015,700	3,880,280
NONOPERATING REVENUES (Expenses)				
Investment Income	263,959	96,400	100,000	100,000
Gain (loss) on Sales of Capital Assets				
Other Expenses				
Interest Expense				
Contingency Fund				(46,000)
Total Nonoperating Revenues (Expenses)	263,959	96,400	100,000	54,000
Net Income before Operating Transfers	2,371,067	1,666,594	3,115,700	3,934,280
Capital Contributions and Transfers (Schedule T)				
Transfers In				
Transfers Out				
Transfer Out- Central Service Cost	138,488	224,424	110,000	218,900
Net Operating Transfers	138,488	224,424	110,000	218,900
CHANGE IN NET POSITION	2,232,579	1,442,170	3,005,700	3,715,380
Ties to Fin Stmt & 4404 PY				

Incline Village General Improvement District
(Local Government)

SCHEDULE F-1 REVENUES, EXPENSES AND NET POSITION
Beach Fund

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Schedule F-1

PROPRIETARY FUND	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/2026	
	ACTUAL PRIOR YEAR ENDING 6/30/2024	ESTIMATED CURRENT YEAR ENDING 6/30/2025	Tentative	FINAL APPROVED
A CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers	1,529,639	1,401,700	1,288,550	2,043,270
Receipts from Facility Fee	3,539,409	2,286,068	5,274,500	5,110,310
Payments to and for employees	(1,621,831)	(1,255,000)	(1,922,000)	(1,722,500)
Payments to vendors	(780,259)	(825,988)	(1,225,350)	(1,150,800)
a. Net cash provided by (or used for) operating activities	2,666,958	1,606,780	3,415,700	4,280,280
B CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
TRANSFER FROM OTHER FUNDS				
Transfer Out-Central Service Cost	(138,488)	(224,424)	(110,000)	(218,900)
Contingency Funds				(46,000)
b. Net cash provided by (or used for) noncapital financing activities	(138,488)	(224,424)	(110,000)	(264,900)
C CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of Capital Assets	(280,732)	(66,277)	(11,000,000)	(11,400,000)
c. Net cash provided by (or used for) capital and related financing activities	(280,732)	(66,277)	(11,000,000)	(11,400,000)
D CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Earnings (loss)	243,050	96,400	100,000	100,000
d. Net cash provided by (or used in) investing activities	243,050	96,400	100,000	100,000
NET INCREASE (DECREASE) in cash and cash equivalents (a+b+c+d)	2,490,788	1,412,479	(7,594,300)	(7,284,620)
CASH AND CASH EQUIVALENTS AT JULY 1, 20xx	6,811,201	9,301,989	10,714,468	10,714,468
CASH AND CASH EQUIVALENTS AT JUNE 30, 20xx	9,301,989	10,714,468	3,120,168	3,429,848

* Per Board direction, Facility Fees are being reported as Non-Operating revenues, beginning with FY2023-24
 ** Prior to FY2023-24 Facility Fees were reported as a component of Operating Revenues.

Incline Village General Improvement District
 (Local Government)

SCHEDULE F-2 STATEMENT OF CASH FLOWS
 Beach Fund

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 Schedule F-2

FORM 4404LGF

Last Revised 7/24/2025

INTERNAL SERVICE FUND

PROPRIETARY FUND	(1) ACTUAL PRIOR YEAR ENDING 6/30/2024	(2) ESTIMATED CURRENT YEAR ENDING 6/30/2025	(3) BUDGET YEAR ENDING 06/30/26	
			Tentative	FINAL APPROVED
OPERATING REVENUE				
Charges for services				
Misc Revenue				
Total Operating Revenue	-	-	-	-
OPERATING EXPENSE				
Salaries & Benefits	2,691,433	2,909,498	3,061,400	3,076,800
Services & Supplies	1,099,855	942,289	1,453,800	1,414,800
Depreciation/Amortization	4,685	-	-	-
Total Operating Expense	3,795,973	3,851,787	4,515,200	4,491,600
Operating Income or (Loss)	(3,795,973)	(3,851,787)	(4,515,200)	(4,491,600)
NONOPERATING REVENUES (EXPENSES)				
Interfund Services	3,809,228	3,861,749	4,515,200	4,491,600
Investment Income	1,742		-	-
Operating Grants	253			
Gain (loss) on Sales of Capital Assets				
Other Expenses				
Interest Expense				
Total Nonoperating Expenses	3,809,228	3,861,749	4,515,200	4,491,600
Net Income before Operating Transfers	15,250	9,962	-	-
Capital Contributions and Transfers (Schedule T)				
Transfers In				
Transfers Out				
Net Operating Transfers	-	-	-	-
CHANGE IN NET POSITION	15,250	9,962	-	-

Ties to Fin Stmt & 4404 PY

Incline Village General Improvement District
(Local Government)

SCHEDULE F-1 REVENUES, EXPENSES AND NET POSITION

Internal Services Fund

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Schedule F-1

INTERNAL SERVICE FUND

	(1)	(2)	(3)	(4)
			BUDGET YEAR ENDING 06/30/26	
PROPRIETARY FUND	ACTUAL PRIOR YEAR ENDING 6/30/2024	ESTIMATED CURRENT YEAR ENDING 6/30/2025	Tentative	FINAL APPROVED
A. CASH FLOWS FROM OPERATING ACTIVITIES:				
Payments to and for employees	(2,639,998)	(2,494,197)	(3,061,400)	(3,076,800)
Payments to Vendors	(1,039,583)	(1,017,709)	(1,453,800)	(1,414,800)
a. Net cash provided by (or used for) operating activities	(3,679,581)	(3,511,906)	(4,515,200)	(4,491,600)
B. CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
TRANSFER FROM OTHER FUNDS				
Receipts from Interfund Services Provided	3,804,261	3,584,885	4,515,200	4,491,600
b. Net cash provided by (or used for) noncapital financing activities	3,804,261	3,584,885	4,515,200	4,491,600
C. CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of Capital Assets				
Transfer to other funds	(419,499)			
c. Net cash provided by (or used for) capital and related financing activities	(419,499)	-	-	-
D. CASH FLOWS FROM INVESTING ACTIVITIES:				
Investment interest received	1,742	28,553		
d. Net cash provided by (or used in) investing activities	1,742	28,553	-	
NET INCREASE (DECREASE) in cash and cash equivalents (a+b+c+d)	(293,077)	101,532	-	-
CASH AND CASH EQUIVALENTS AT JULY 1, 20xx	293,077	-	101,532	101,532
CASH AND CASH EQUIVALENTS AT JUNE 30, 20xx	-	101,532	101,532	101,532

Incline Village General Improvement District
(Local Government)

SCHEDULE F-2 STATEMENT OF CASH FLOWS

Internal Services Fund

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Schedule F-2

FORM 4404LGF

Last Revised 7/24/2025

NAME OF BOND OR LOAN List and Subtotal By Fund	TYPE *	TERM	ORIGINAL AMOUNT OF ISSUE	ISSUE DATE	FINAL PAYMENT DATE	INTEREST RATE	BEGINNING OUTSTANDING BALANCE 7/1/2025	REQUIREMENTS FOR FISCAL YEAR ENDING 06/30/2026		(9)+(10) TOTAL
								INTEREST PAYABLE	PRINCIPAL PAYABLE	
FUND										
UTILITY FUND										
St of NV Sewer CW-2402	4	30	52,740,000	01/04/24	7/1/2054	2.19%	55,000	103,700	-	103,700
St of NV Sewer CW-2303	4	30	15,760,000	04/11/23	1/1/2053	2.19%	9,802,188	214,700	-	214,700
St of NV Sewer CS32-0404	2	20	3,000,000	03/29/06	1/1/2025	2.725%	6848293 401,311	4,200	203,370	207,570
				8/1/06						
Total for the Utility Fund			71,500,000				10,258,499	322,600	203,370	525,970
TOTAL ALL DEBT SERVICE			\$71,500,000				\$10,258,499	\$322,600	\$203,370	\$525,970

Transfer Schedule for Fiscal Year 2025-2026

TRANSFERS IN				TRANSFERS OUT		
FUND TYPE	FROM FUND	PAGE	AMOUNT	TO FUND	PAGE	AMOUNT
ENTERPRISE FUNDS				Utility Fund	7	1,610,400
				Community Service Fund	7	2 221,200
				Beach Fund	7	218,900
SUBTOTAL						
INTERNAL SERVICE						
SUBTOTAL						
RESIDUAL EQUITY TRANSFERS						
SUBTOTAL						
TOTAL TRANSFERS						4 050,500

(Local Government)

SCHEDULE T - TRANSFER RECONCILIATION

Page _____
Schedule T

Transfer Schedule for Fiscal Year 2025-2026

TRANSFERS IN				TRANSFERS OUT		
FUND TYPE	FROM FUND	PAGE	AMOUNT	TO FUND	PAGE	AMOUNT
GENERAL FUND	Utility Fund	10	1,610,400			
	Community Service Fund	12	2,221,200			
	Beach Fund	14	218,900			
SUBTOTAL						
SPECIAL REVENUE FUNDS						
SUBTOTAL	Central Service Cost	7	4,050,500			

SCHEDULE OF EXISTING CONTRACTS

Budget Year 2025-2026

Local Government: Incline Village General Improvement District

Contact: Jessica O'Connell

E-mail Address: joc@ivgid.org

Daytime Telephone: _____

Total Number of Existing Contracts: 12

Line	Vendor	Effective Date of Contract	Termination Date of Contract	Proposed Expenditure FY 2024-25	Proposed Expenditure FY 2025-26	Reason or need for contract:
1	Baker Tilley	07/31/25	06/30/26		55,000	Accounting Services
2	Marcus G. Faust, PC	05/01/19	06/30/26	76,000	76,000	Federal Legislative Advocate
3	Alta Vista	11/15/23	06/30/26	78,890	82,850	Cleaning Services for District venues
4	CC Cleaning	12/01/23	06/30/26	71,160	82,000	Cleaning Services for District venues
5	Tyler Tech	07/31/25	06/30/26		34,000	COA Chart of Accounts Redesign
6	Tyler Tech	07/31/25	06/30/26		32,000	HR & Finance Full- utilization services
	Sierra Office Solutions	05/21/21	05/20/26	9,000	9,500	LAN, Network, and Desktop Copier Supplies and Maintenance
7	MRC (Xerox)	Varied	Varied	100,000	120,000	Contractual Support Services for District Copiers
8	AT&T Ethernet	06/29/15		195,000	200,000	Ethernet Provider
9	Pitney Bowes	07/31/21	07/01/26	2,400	2,400	Postage Meter - Admin. Bldg.
12	TBD	01/01/24	06/30/26	291,600	***	Legal Counsel
13					***	No contract has been signed as of date of this submission
14						
15						
16						
17						
18						
19						
20	Total Proposed Expenditures			824,050	693,750	

Additional Explanations (Reference Line Number and Vendor):

SCHEDULE OF PRIVATIZATION CONTRACTS

Budget Year 2025-2026

Local Government: Incline Village General Improvement District

Contact: _____

E-mail Address: _____

Daytime Telephone: _____

Total Number of Privatization Contracts: 4

Line	Vendor	Effective Date of Contract	Termination Date of Contract	Duration (Months/ Years)	Proposed Expenditure FY 2024-25	Proposed Expenditure FY 2025-26	Position Class or Grade	Number of FTEs employed by Position Class or Grade	Equivalent hourly wage of FTEs by Position Class or Grade	Reason or need for contract:
1	Umpires		Fiscal Year		3,000	3,300		-	20	Contract with Assoc.
2	Art Instructor		Fiscal Year		2,000	2,200		-	20	Infrequent schedule
3										
4										
5										
6										
7										
8	Total				\$ 5,000	\$ 5,500		0		

Attach additional sheets if necessary.

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Schedule 32



STATE OF NEVADA
DEPARTMENT OF TAXATION

MAIN OFFICE
3850 Arrowhead Drive
Carson City, Nevada 89706

JOE LOMBARDO
Governor

GEORGE KELESIS
Chair, Nevada Tax Commission

SHELLIE HUGHES
Executive Director

August 5, 2025

Ms. Jessica O'Connell
Incline Village GID
893 Southwood Blvd
Incline Village, NV 89451

Re: Final Budget – Fiscal Year 2025-2026

Dear Ms. O'Connell:

The Department of Taxation has examined your final budget in accordance with NRS 354.598. We find the budget to be in compliance with the law and appropriate regulations.

Please be advised the following tax rate was presented to the Nevada Tax Commission on June 25, 2025, for certification:

Operating tax rate	\$ 0.1249
Voter approved rate	0.0000
Legislative override rate	0.0219
Debt service rate	<u>0.0000</u>
	\$ 0.1468

If you should have any questions, please do not hesitate to call me at (775) 684-2065 or e-mail me at kgrahmann@tax.state.nv.us.

Sincerely,

A handwritten signature in blue ink that reads "Kellie Grahmann".

Kellie Grahmann
Budget Analyst
Local Government Finance
Department of Taxation

IVGID AUDITED FINANCIAL STATEMENTS



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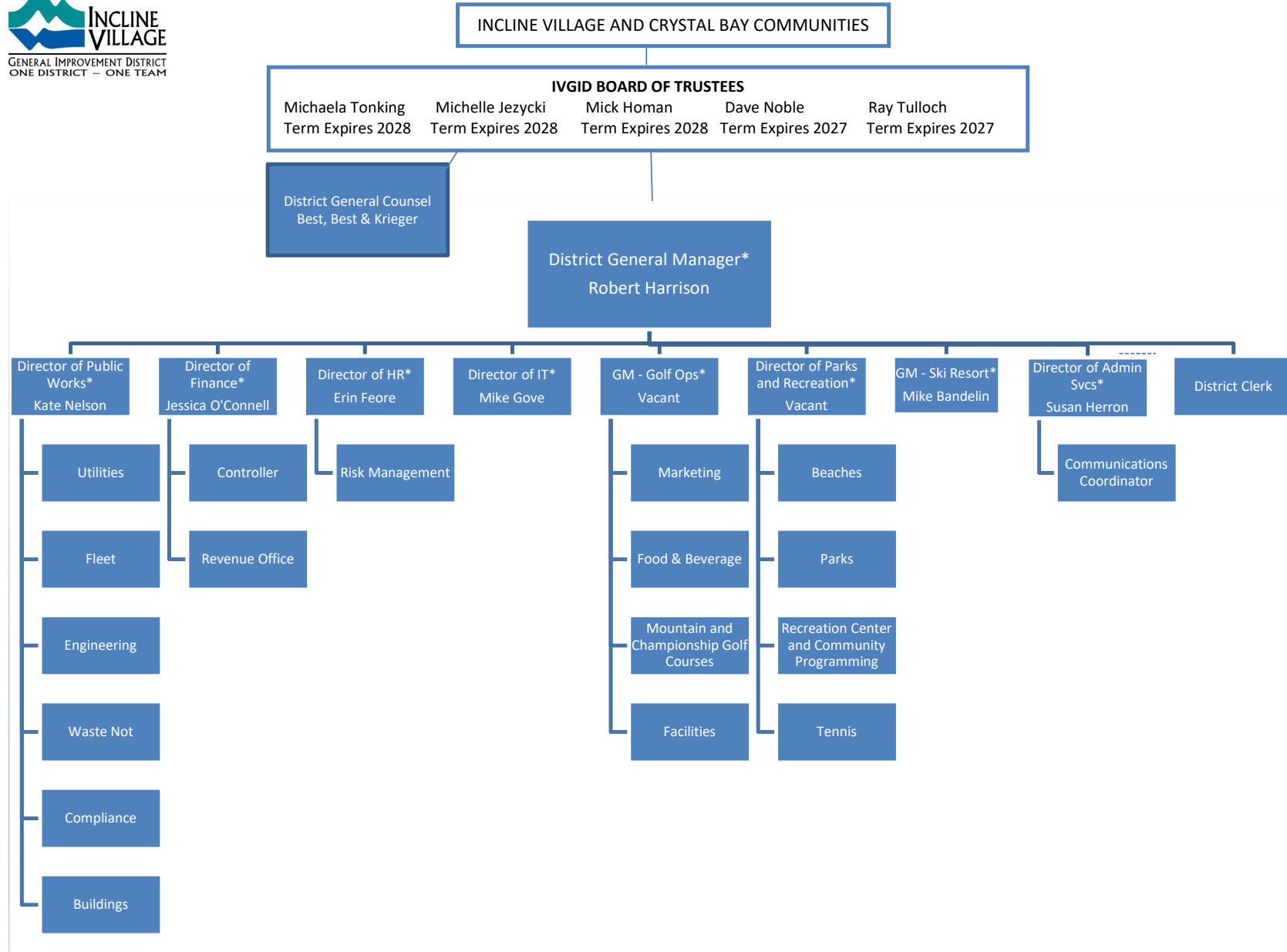
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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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June, 2025

* Members of the Senior Team

Independent Auditor's Report

Board of Trustees
Incline Village General Improvement District
Incline Village, Nevada

Report on the Audit of the Financial Statements

Qualified Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Incline Village General Improvement District (District), as of and for the year June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinions section of our report, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2024 and the respective changes in financial position and, where applicable, cash flows thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified Opinions

We were unable to obtain sufficient appropriate audit evidence supporting \$743,724 of inventories as of June 30, 2024 due to physical inventory counts not performed on all inventory balances, known errors in certain inventory balances, and differences between quantities inspected during physical inventory counts and the amounts recorded in the financial statements. We were also unable to obtain sufficient appropriate audit evidence supporting \$1,284,474 of related cost of goods sold. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinions.

Emphasis of a Matter

As described further in footnote 19, the beginning fund balance and net position has been restated for a change within the financial reporting entity and for a correction of errors. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis, schedule of employer required contributions to defined contribution multi-employer plans and budgetary comparison information* be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The *budgetary comparison schedules* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The *budgetary comparison schedules* are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the *budgetary comparison schedules* are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Basic Financial Statements. The other information comprises the *introductory section* but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 11, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Davis Fan" followed by a stylized flourish.

Irvine, California
June 11, 2025

**Incline Village General Improvement District
Management's Discussion and Analysis
For the Fiscal Year ended June 30, 2024**

INTRODUCTION

This section of the Incline Village General Improvement District's (the District's) Financial Statement provides a narrative overview and analysis of the District's financial activities for the fiscal year ended June 30, 2024. We encourage readers to review this information in conjunction with the transmittal letter, financial statements, and accompanying notes to gain a comprehensive understanding of the District's financial position.

FINANCIAL HIGHLIGHTS

Based on the Government-wide Financial Statements for the year ended June 30, 2024:

- The District's net position totaled \$169 million as of June 30, 2024, reflecting an increase of \$177 thousand from the prior year. Of this amount, \$34.3 million represents unrestricted net position, available to meet future obligations including planned capital projects.
 - The net position of the District's governmental activities increased by \$9.6 million, ending at \$16.2 million, driven by an \$11 million increase from the reclassification of parks from community services to the General Fund, partially offset by an excess of total expenditures over total revenues.
 - The District's business activities closed the fiscal year with a net position of \$152.8 million, reflecting a decrease of \$9.2 million from the prior year, driven by the reclassification of parks, partially offset by a positive change in net position from net revenues, operating expenses and non-operating items.
 - As of June 30, 2024, the District had total bond debt outstanding \$6.6 million, consisting almost entirely of Utility Revenue Bonds. Long-term debt increased by \$4.1 million due to a draw on the Water State Revolving Fund Loan (see Footnote 9).
-

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

This discussion and analysis serve as an introduction to the District's basic financial statements, which include:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

Government-wide Financial Statements

These statements offer a broad overview of the District's finances, in a manner similar to a private-sector business. The Statement of Net Position reports the District's assets, liabilities, and deferred inflows/outflows of resources, with the difference presented as net position. Changes in net position may serve as a useful indicator of the District's financial health.

The Statement of Activities shows how the District's net position changed during the fiscal year, recognizing revenues and expenses when the underlying events occur, regardless of cash flow timing. This means some revenues and expenses may affect future fiscal periods.

Both statements separate the District's functions into governmental and business-type activities. Governmental activities include administration, supported by general tax revenues. Business-type activities cover utilities (water, sewer, solid waste), recreational activities, and internal services, typically funded by fees covering operational costs, depreciation, and debt service.

**Incline Village General Improvement District
Management's Discussion and Analysis
For the Fiscal Year ended June 30, 2024
(Continued)**

Fund Financial Statements

Funds are accounting entities used to segregate resources for specific activities and ensure compliance with financial legal requirements, demonstrating fiscal accountability. The District's funds are categorized as governmental or proprietary.

- *Governmental funds* account for functions like governmental activities but focus on near-term inflows/outflows of spendable resources and year-end balances, which are useful for assessing short-term financing needs. The District maintains a single governmental fund, the General Fund.
- *Proprietary funds* include enterprise funds and internal service funds. The enterprise funds—Utility Fund, Community Services Fund, and Beach Fund—reflect business-type activities. The internal service fund accounts for fleet maintenance, building maintenance, and engineering, classified as proprietary due to its primary service to other proprietary activities.

Notes to the Financial Statements

These notes provide essential additional information to fully understand the government-wide and fund financial statements.

Other Information

Beyond the basic financial statements and notes, this report includes supplementary information such as a schedule for Multi-Employer Retirement Plans, detailed budget-to-actual comparisons by fund, revenue and expenditure reports formatted per Nevada Department of Taxation requirements and selected statistical data over five- or ten-year periods. This information supports trend analysis and highlights major revenue sources including Recreation and Beach Facility Fees.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As of June 30, 2024, the District's assets exceeded liabilities and deferred inflows by \$169 million. The largest portion of \$134.1 million of net position is invested in capital assets (land, buildings, equipment, construction in progress, less accumulated depreciation and outstanding bonds). These assets are essential for service delivery and are not available for future spending. Although net related debt is reported, repayment resources must come from other sources as capital assets cannot liquidate liabilities.

Government Activities

Government Activities net position of the District's governmental activities increased by \$9.6 million, ending at \$16.3 million. Net position increased 11 million for restatements to beginning net position, primarily driven by \$11.0 million from the reclassification of parks from the community services fund to the general fund (see note 19). This was partially offset by a \$1.2 million excess of expenses over revenues.

Revenues for governmental activities increased overall from the prior year by \$624 thousand. Governmental revenues primarily consist of Property tax and CTX-Consolidated Tax a distribution mechanism for several Nevada state taxes i.e., Basic County Relief Tax, Basic City-County Relief Tax, Local School Support Tax, Governmental Services Tax, Real Property Transfer Tax and Cigarette and Liquor Tax.

Expenses for government services increased overall from the prior year by 1.5 million. This was primarily due to increases in administration costs (\$1.29 million), information services (\$0.3 million) and accounting (\$0.31 million), partially offset by a reduction in capital outlays (\$0.4 million)

**Incline Village General Improvement District
Management's Discussion and Analysis
For the Fiscal Year ended June 30, 2024
(Continued)**

Business-type Activities

The District's business activities closed the fiscal year with a net position of \$152.8 million, reflecting a decrease of \$9.2 million from the prior year. Net position declined 11.5 million for restatements to beginning net position, primarily driven by the aforementioned reclassification of parks from the community services fund to the general fund (see note 19). This was partially offset by a \$2.3 million benefit from business activities.

The Utility Fund, providing essential services, saw a \$1.8 million increase mainly due to net non-operating income and to a lesser extent net operating income.

The Community Services Fund's net position declined by \$12.9 million, primarily due to \$11.6 million of restatements (mainly the aforementioned reclassification of parks to the general fund). The remaining reduction was driven by a reduction in net operating and non-operating revenues and expenses, primarily a reduction in facility fee revenues. The facility fee, assessed by the District and collected by Washoe County through quarterly property tax bills, supports recreation and beach privileges. For 2023-24, facility fees for the Community Services fund was only \$2,338, comprised of collections of prior year assessments.

The Beach Fund net position increased by \$2. million, largely due to facility fee revenues supporting planned capital projects. For 2023-24, facility fees for the Beach Fund was \$3.5 million.

Revenues and expenditures for the Internal Service Fund are presented net of charges to other funds, as these costs are included in business-type activities supported by Internal Services.

FINANCIAL ANALYSIS OF DISTRICT FUNDS

The District employs fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

Governmental fund statements focus on current inflows, outflows, and balances of resources, helping assess financing needs. The General Fund's fund balance of \$1.3 million on June 30, 2024, exceeds the District's minimum reserve policy of 15% of annual budgeted appropriations (approximately \$789,700).

The total General Fund balance includes \$1.5million non-spendable prepaid General Liability amount.

Proprietary Funds

The District operates two recreational programming funds: Community Services and Beach. Due to deed restrictions, the Beach Fund's activities are accounted for separately to ensure compliance.

As of June 30, 2024, the Community Services Fund's net position was \$52.2 million, including an unrestricted net position of \$15.8 million. The Beach Fund's net position was \$17.1 million, including an unrestricted net position of \$9.0 million. Both funds maintained unrestricted net positions exceeding Board reserve policy targets (25% of annual budget appropriations), supporting upcoming capital projects outlined in the multi-year capital plan.

Utility Fund net position was \$83.4 million, including an unrestricted net position of \$8.9 million, exceeding Board reserve policy targets of 25%.

Budgets for governmental funds are adopted on a modified accrual basis, recognizing transactions when they impact current financial resources.

**Incline Village General Improvement District
Management's Discussion and Analysis
For the Fiscal Year ended June 30, 2024
(Continued)**

GENERAL FUND BUDGETARY HIGHLIGHTS

For the fiscal year ended June 30, 2024:

- Revenues were slightly lower than budget by \$96 thousand, primarily due to lower consolidated tax collection.
- General Fund expenditure was \$2.4 million below budget (net of Central Services Overhead cost recovery), primarily due to \$1.9 million of lower capital outlays. Operating-type expenditures were lower than budget by about \$500 thousand, primarily due to savings in accounting, information services and human resources, partially offset by higher spending in administration.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2024, the District's net investment in capital assets totaled \$134.1 million, including land, buildings, systems, improvements, machinery, equipment, and recreational facilities (net of accumulated depreciation and debt used to finance the capital assets). For more details on capital asset activity and related debt, refer to Notes 5 and 9 in the financial statements.

Long-term Debt

At fiscal year-end, the District had \$6.4 million in outstanding Utility Revenue Bonds and \$0.2 million of other debt obligations. Debt is backed by the District's full faith and credit, with repayment sourced from service charge revenues. For additional information on debt, see Note 9.

Nevada Revised Statutes, Chapter 318, Section 277, authorize the District to incur indebtedness up to 50% of the last assessed valuation of taxable property, excluding revenue bonds and special assessment bonds.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The District experienced marginal increases in its sales and fees activity during the past fiscal year, with increases in utilities, community services and beach. The FY 2024-25 budget anticipates a relatively stable outlook.
- Labor market challenges, including shortages of seasonal and part-time staff, rising wages, and limited affordable housing, are expected to continue affecting the District's operating service cost levels.
- The District's primary revenues come from user service charges and, with respect to its Community Services and Beach funds, a standby Facility Fee assessed annually by the Board of Trustees. This fee provides stable funding for operations, capital improvements, and debt service and is set in alignment with the multi-year capital improvement and strategic plans.
- Diamond Peak Ski Resort generates a significant portion of service charges and is sensitive to winter snow conditions.
- Priority capital projects include replacing miles of the Effluent Export Pipeline. A comprehensive Utility Rate Study identified the need for substantial rate increases over the next several years to fund operations, capital projects, and debt, while maintaining reserves per Board policy. However, rates are expected to remain competitive with regional utilities.
- To mitigate rate impacts, the District is pursuing low-interest State Revolving Fund loans and federal grants.
- The Board continues to review capital project priorities across Community Services, Beach, and Diamond Peak Master Plans, considering financing options such as debt issuance versus pay-as-you-go, with a focus on financial capacity and creditworthiness.

**Incline Village General Improvement District
Management's Discussion and Analysis
For the Fiscal Year ended June 30, 2024
(Continued)**

REQUEST FOR INFORMATION

This report is intended to provide a general overview of the District's finances for all interested parties. Questions or requests for additional information should be addressed to the Director of Finance at 893 Southwood Boulevard, Incline Village, Nevada 89451. This report is also available on the District's website: www.yourtahoeplace.org.

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2024

	Primary Government		
	Governmental	Business-Type	Total
	Activities	Activities	
ASSETS			
Cash, cash equivalents, and investments	\$ 40,388	\$ 44,839,169	\$ 44,879,557
Receivables:			
Accounts receivable, net	8,141	1,792,229	1,800,370
Lease receivables	-	1,573,428	1,573,428
Interest on investments	41,412	116,519	157,931
Due from other governments	326,152	78,465	404,617
Inventories	55,997	687,727	743,724
Prepaid items	1,516,426	-	1,516,426
Restricted assets:			
Restricted deposits	-	670,140	670,140
Capital assets:			
Land	11,098,740	12,907,130	24,005,870
Construction in progress	29,942	13,556,529	13,586,471
Capital assets, net of accumulated depreciation	4,836,612	98,254,774	103,091,386
Total assets	<u>17,953,810</u>	<u>174,476,110</u>	<u>192,429,920</u>
LIABILITIES			
Accounts payable	419,773	9,638,486	10,058,259
Accrued personnel costs	481,786	453,828	935,614
Accrued interest payable	-	62,418	62,418
Due to other governments	6,500	13,287	19,787
Unearned revenue	16,470	2,394,273	2,410,743
Refundable deposits	-	466,362	466,362
Noncurrent liabilities:			
Compensated absences due within one year	316,411	561,547	877,958
Long-term liabilities due within one year	114,998	468,183	583,181
Claims payable due within one year	130,000	-	130,000
Compensated absences due in more than one year	73,306	264,257	337,563
Long-term liabilities due in more than one year	124,998	5,890,912	6,015,910
Total liabilities	<u>1,684,242</u>	<u>20,213,553</u>	<u>21,897,795</u>
DEFERRED INFLOW OF RESOURCES			
Deferred Inflow related to leases	<u>-</u>	<u>1,433,347</u>	<u>1,433,347</u>
NET POSITION			
Net investment in capital assets	15,725,298	118,359,338	134,084,636
Restricted	-	670,140	670,140
Unrestricted	544,270	33,799,732	34,344,002
Total net position	<u>\$ 16,269,568</u>	<u>\$ 152,829,210</u>	<u>\$ 169,098,778</u>

The notes to the financial statements are an integral part of this statement.

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	
Primary government:							
Governmental activities:							
General government	\$ 6,439,938	\$ 103,880	\$ -	\$ -	\$ (6,336,058)	\$ -	\$ (6,336,058)
Interest on long-term debt	15,000	-	-	-	(15,000)	-	(15,000)
Total governmental-type activities	6,439,938	103,880	-	-	(6,351,058)	-	(6,351,058)
Business-type activities:							
Utilities	15,844,266	15,908,134	455	364,011	-	428,334	428,334
Community services	23,609,092	20,981,651	21,741	-	-	(2,605,700)	(2,605,700)
Beach	3,054,542	1,483,753	-	-	-	(1,570,789)	(1,570,789)
Total business-type activities	42,507,900	38,373,538	22,196	364,011	-	(3,748,155)	(3,748,155)
Total primary government	\$ 48,947,838	\$ 38,477,418	\$ 22,196	\$ 364,011	\$ (6,351,058)	\$ (3,748,155)	\$ (10,099,213)
General revenues:							
Property taxes					2,160,877	-	2,160,877
Combined taxes					2,040,590	-	2,040,590
Recreation fee (assessed)					-	3,541,747	3,541,747
Investment income					49,044	2,346,308	2,395,352
Insurance proceeds					-	8,857	8,857
Miscellaneous revenues					-	208,022	208,022
Total general revenues					4,250,511	6,104,934	10,355,445
Change in net position					(2,100,547)	2,356,779	256,232
Net positions, beginning, as previously reported					7,078,141	161,973,614	169,051,755
Restatement for change within financial reporting entity					11,022,190	(11,022,190)	-
Restatement for correction of errors					269,784	(478,993)	(209,209)
Net positions, beginning, as restated					18,370,115	150,472,431	168,842,546
Net position - ending					\$ 16,269,568	\$ 152,829,210	\$ 169,098,778

The notes to the financial statements are an integral part of this statement.

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
GOVERNMENTAL FUND
BALANCE SHEET
JUNE 30, 2024**

	GENERAL FUND
ASSETS	
Cash, cash equivalents and investments	\$ 40,388
Accounts receivable, net	2,921
Interest receivable on investments	41,412
Due from other funds	166,344
Due from other governments	326,152
Prepaid items	1,516,426
	<hr/>
Total assets	\$ 2,093,643
	<hr/> <hr/>
LIABILITIES AND FUND BALANCES	
Liabilities	
Accounts payable	\$ 346,160
Accrued personnel costs	423,569
Due to other governments	6,500
Unearned revenue	16,470
Total liabilities	792,699
	<hr/>
Fund balance	
Non-spendable	1,516,426
Unassigned	(215,482)
Total fund balance	1,300,944
	<hr/>
Total liabilities and fund balance	\$ 2,093,643
	<hr/> <hr/>

The notes to the financial statements are an integral part of this statement.

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
RECONCILIATION OF BALANCE SHEET FOR GOVERNMENTAL FUND
TO THE GOVERNMENT WIDE STATEMENT OF NET POSITION
JUNE 30, 2024**

Amounts reported for governmental activities in the Statement of Net Position that are not included in the Governmental Fund Balance Sheet (because):

Total Fund Balance for Governmental Activities	\$ 1,300,944
Capital Assets, net of accumulated depreciation, are not financial resources, and therefore are not reported in the General Fund	15,938,417
Long Term Liability for Compensated Absences	(295,046)
Long Term Liability for SBITAs	(239,996)
Total Balance from Internal Services Fund	<u>\$ (304,751)</u>
Net Position of Governmental Activities	<u><u>\$ 16,269,568</u></u>

The notes to the financial statements are an integral part of this statement.

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2024**

	GENERAL FUND
REVENUES	
Ad valorem taxes	\$ 2,142,172
Personal Property Tax	18,705
Intergovernmental:	
Consolidated taxes	1,761,495
Local Government Tax Act	279,095
Rental income	61,760
Investment income	47,302
Charges for services	42,120
Total revenues	<u>4,352,649</u>
EXPENDITURES	
GENERAL GOVERNMENT	
Current:	
General manager	720,485
Trustees	139,382
Accounting	884,285
Information services	1,394,237
Human resources	198,398
Health & wellness	65,402
Community & employee relations	193,066
Administration	2,418,455
Risk management	103,697
Capital outlay	94,709
Debt Service:	
Principal	109,998
Interest	15,000
Total expenditures	<u>6,337,114</u>
Net change in fund balance	<u>(1,984,465)</u>
Fund Balance, July 1, as previously reported	4,682,526
Restatement for change within financial reporting entity	(1,373,824)
Restatement for correction of error	<u>(23,293)</u>
Fund Balance, July 1, as restated	3,285,409
Fund balance, June 30	<u><u>\$ 1,300,944</u></u>

The notes to the financial statements are an integral part of this statement.

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES FOR THE GOVERNMENTAL FUND
TO THE GOVERNMENT WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024**

Amounts reported for governmental activities are different because the Governmental Fund accounts for a flow of resources while the Statement of Activities is on a full accrual basis of accounting:

Total Net Change in Fund Balance for Governmental Fund	\$ (1,984,465)
Payroll expense associated with compensated absences	(56,727)
Settlement Expense	276,946
Capital Assets acquired during the year and capitalized	85,535
Depreciation expense for the fiscal year	(547,084)
Payments made on SBITAs	109,998
Internal Services change in Net Position	<u>15,250</u>
Change in Net Position of Governmental Activities	<u><u>\$ (2,100,547)</u></u>

The notes to the financial statements are an integral part of this statement.

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2024**

	Enterprise Funds				
	Utility Fund	Community Services Fund	Beach Fund	Total	Internal Service Fund
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 16,344,468	\$ 19,193,712	\$ 9,300,989	\$ 44,839,169	\$ -
Accounts receivable	1,681,091	111,138	-	1,792,229	5,220
Lease receivable	-	1,573,428	-	1,573,428	-
Interest receivable	38,027	57,583	20,909	116,519	-
Due from other governments	-	3,755	74,710	78,465	-
Inventories	230,732	446,847	10,148	687,727	55,997
Total current assets	18,294,318	21,386,463	9,406,756	49,087,537	61,217
Noncurrent assets:					
Restricted deposit for debt service reserve	419,945	-	-	419,945	-
Restricted deposit for TRPA deposits	101,988	147,207	1,000	250,195	-
Subtotal	521,933	147,207	1,000	670,140	-
Capital Assets:					
Land	6,715,543	3,886,737	2,304,850	12,907,130	-
Construction in progress	13,245,472	-	311,057	13,556,529	-
Buildings and structures	28,801,714	64,467,534	9,315,417	102,584,665	-
Improvements and Infrastructure	112,756,689	-	-	112,756,689	-
Equipment and vehicles	4,749,061	14,047,998	531,928	19,328,987	240,596
Right of use asset	-	78,537	-	78,537	-
Total capital assets	166,268,479	82,480,806	12,463,252	261,212,537	240,596
Less: accumulated depreciation	(85,946,964)	(46,192,802)	(4,354,338)	(136,494,104)	(213,719)
Total capital assets (net)	80,321,515	36,288,004	8,108,914	124,718,433	26,877
Total noncurrent assets	80,843,448	36,435,211	8,109,914	125,388,573	26,877
Total assets	99,137,766	57,821,674	17,516,670	174,476,110	88,094
LIABILITIES					
Current liabilities:					
Accounts payable	8,706,573	800,451	131,462	9,638,486	73,613
Accrued personnel costs	101,693	253,899	98,236	453,828	58,217
Accrued interest payable	62,418	-	-	62,418	-
Due to other funds	-	-	-	-	166,344
Due to other governments	-	-	13,287	13,287	-
Unearned revenue	133,181	2,197,902	63,190	2,394,273	-
Deposits payable	-	466,362	-	466,362	-
Current portion of compensated absences	265,337	271,285	24,925	561,547	76,873
Current maturities of long-term liabilities	468,183	-	-	468,183	-
Total current liabilities	9,737,385	3,989,899	331,100	14,058,384	375,047
Non-current liabilities:					
Compensated absences	124,865	127,663	11,729	264,257	17,798
Non-current long term liabilities	5,890,912	-	-	5,890,912	-
Total non-current liabilities	6,015,777	127,663	11,729	6,155,169	17,798
Deferred lease inflows	-	1,433,347	-	1,433,347	-
Total liabilities and deferred inflows	15,753,162	5,550,909	342,829	21,646,900	392,845
NET POSITION					
Net investment in capital assets	73,962,420	36,288,004	8,108,914	118,359,338	26,877
Restricted deposits	521,933	147,207	1,000	670,140	-
Unrestricted	8,900,251	15,835,554	9,063,927	33,799,732	(331,628)
Total net position	\$ 83,384,604	\$ 52,270,765	\$ 17,173,841	\$ 152,829,210	\$ (304,751)

The notes to the financial statements are an integral part of this statement.

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2024**

	Enterprise Funds				Internal
	Utility Fund	Community Services Fund	Beach Fund	Total	Service Fund
OPERATING REVENUES					
Sales and fees	\$ 15,846,029	\$ 20,981,651	\$ 1,483,753	\$ 38,311,433	\$ -
Recreation fee	-	2,338	3,539,409	3,541,747	-
Operating grants	455	21,741	-	22,196	253
Interfund services	62,105	-	-	62,105	3,809,228
Total operating revenues	15,908,589	21,005,730	5,023,162	41,937,481	3,809,481
OPERATING EXPENSES					
Wages and benefits	5,580,458	11,741,620	1,621,831	18,943,909	2,691,433
Cost of goods sold	-	1,248,217	36,257	1,284,474	-
Services and supplies	3,353,151	4,341,136	625,095	8,319,382	1,063,177
Defensible space	99,105	79,790	-	178,895	-
Central services cost	629,130	1,188,682	138,488	1,956,300	-
Insurance	317,444	379,042	63,854	760,340	23,332
Utilities	1,302,479	1,620,577	171,688	3,094,744	11,586
Professional fees	93,277	75,637	31,478	200,392	1,760
Depreciation	4,377,216	2,934,256	365,851	7,677,323	4,685
Total operating expenses	15,752,260	23,608,957	3,054,542	42,415,759	3,795,973
Operating income (loss)	156,329	(2,603,227)	1,968,620	(478,278)	13,508
NONOPERATING REVENUES (EXPENSES)					
Investment earnings	1,276,787	805,562	263,959	2,346,308	1,742
Insurance proceeds	-	8,857	-	8,857	-
Gain (loss) on sales of assets	-	1,739	-	1,739	-
Lease revenue	-	208,022	-	208,022	-
Interest expense	(92,006)	(1,874)	-	(93,880)	-
Total nonoperating revenues (expenses)	1,184,781	1,022,306	263,959	2,471,046	1,742
Income before transfers and contributions	1,341,110	(1,580,921)	2,232,579	1,992,768	15,250
CAPITAL CONTRIBUTIONS AND TRANSFERS					
Capital grants	364,011	-	-	364,011	-
Change in net position	1,705,121	(1,580,921)	2,232,579	2,356,779	15,250
Net position, July 1 as previously reported	81,577,078	65,237,011	15,159,525	161,973,614	(613,078)
Restatement for change within financial reporting entity	-	(11,022,190)	-	(11,022,190)	-
Restatement for correction of error	102,405	(363,135)	(218,263)	(478,993)	293,077
Net position, July 1 as restated	81,679,483	53,851,686	14,941,262	150,472,431	(320,001)
Net position, June 30	\$ 83,384,604	\$ 52,270,765	\$ 17,173,841	\$ 152,829,210	\$ (304,751)

The notes to the financial statements are an integral part of this statement.

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024**

	Enterprise Funds				Internal
	Utility Fund	Community Services Fund	Beach Fund	Total	Services Fund
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 15,789,313	\$ 20,643,955	\$ 5,069,048	\$ 41,502,316	\$ -
Receipts from interfund services provided	62,560	-	-	62,560	3,804,261
Payments to suppliers	(6,191,380)	(8,348,383)	(973,448)	(15,513,211)	(1,039,583)
Payments to employees	(5,450,188)	(11,633,095)	(1,567,130)	(18,650,413)	(2,639,998)
Net cash provided (used) by operating activities	4,210,305	662,477	2,528,470	7,401,252	124,680
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Transfer to other funds	-	-	-	-	(419,499)
Net cash provided (used) by non-capital financing activities	-	-	-	-	(419,499)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	(15,330,960)	(2,848,808)	(280,732)	(18,460,500)	-
Proceeds from capital grants	364,011	-	-	364,011	-
Proceeds from loans	4,309,437	-	-	4,309,437	-
Payments on capital debt	(455,825)	(16,641)	-	(472,466)	-
Interest paid on long term debt	(60,477)	(1,874)	-	(62,351)	-
Net cash provided (used) by capital and related financing activities	(11,173,814)	(2,867,323)	(280,732)	(14,321,869)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment earnings	1,238,760	747,979	243,050	2,229,789	1,742
Net cash provided (used) by investing activities	1,238,760	747,979	243,050	2,229,789	1,742
Net change in cash and cash equivalents	(5,724,749)	(1,456,867)	2,490,788	(4,979,542)	(293,077)
Cash and cash equivalents, July 1, as restated	22,778,835	20,797,786	6,811,201	50,387,822	293,077
Cash, cash equivalents and investments, June 30	\$ 17,054,086	\$ 19,340,919	\$ 9,301,989	\$ 45,220,595	\$ -

(Continued)

The notes to the financial statements are an integral part of this statement.

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024**

	Enterprise Funds				Internal
	Utility Fund	Community Services Fund	Beach Fund	Total	Services Fund
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ 156,329	\$ (2,603,227)	\$ 1,968,620	\$ (478,278)	\$ 13,508
Non-cash adjustments -					
Depreciation	4,377,216	2,934,256	365,851	7,677,323	4,685
Nonoperating income	-	8,857	-	8,857	-
Increase (decrease) in cash from changes in:					
Accounts receivable	(208,761)	(13,673)	-	(222,434)	(5,220)
Grants receivable	186,264	-	-	186,264	-
Due from other governments	-	76,977	(14,977)	62,000	-
Inventories	(94,367)	42,081	(10,148)	(62,434)	46,918
Accounts payable	(302,427)	94,042	103,560	(104,825)	13,354
Accrued personnel costs	35,987	378,678	54,987	469,652	26,370
Compensated absences	94,283	25,189	(286)	119,186	25,065
Due to other funds	-	-	-	-	-
Due to other governments	-	-	3,849	3,849	-
Deposits payable	-	153,233	-	153,233	-
Unearned revenue	(34,219)	(433,936)	57,014	(411,141)	-
Total adjustments	4,053,976	3,265,704	559,850	7,879,530	111,172
Net cash provided (used) by operating activities	<u>\$ 4,210,305</u>	<u>\$ 662,477</u>	<u>\$ 2,528,470</u>	<u>\$ 7,401,252</u>	<u>\$ 124,680</u>

There were no significant noncash capital, financing, and investing activities for the year ended June 30, 2024.

The notes to the financial statements are an integral part of this statement.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Incline Village General Improvement District (the “District”) operates under provisions of the Nevada Revised Statutes (NRS), Chapter 318. Under the law, the District has been granted authority by Washoe County to provide water, sewer and solid waste services, and recreational facilities and programs for the benefit of individuals owning property or residing within its geographical boundaries. The unincorporated rural areas of Incline Village and Crystal Bay, Washoe County, Nevada are within these boundaries.

The District is governed by a board of five publicly elected trustees. The District is not included in any other governmental reporting entity. The District is a legally separate government and it is fiscally independent of any other governmental entity. The District is not financially accountable for any other entity.

B. Basic Financial Statements - Government-wide financial statements

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the activities of the District.

In the government-wide Statement of Net Position, the governmental activities column is presented on a consolidated basis, and is reflected on a full accrual, economic resource basis that recognizes all long-term assets and receivables as well as long-term debt and obligations. The District’s net position is reported in three parts –net investment in capital assets, restricted; and unrestricted.

The government-wide Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges to customers who receive a direct benefit from goods or services. Grants and contributions are restricted to meeting the operational or capital requirements of a function. General revenues reflect items that are not included as either program revenue or grants and contributions. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues and grants.

C. Basic Financial Statements - Fund financial statements

The financial transactions of the District are reported in individual purpose-based fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflows and outflows, fund equity, revenues and expenditures/expenses. Separate financial statements are provided for governmental funds and proprietary funds. The District has no fiduciary funds. Major funds for each fund type are presented as separate columns in the fund financial statements.

D. Measurement Focus/Basis of Accounting – Fund financial statements

The *measurement focus* describes the types of transactions and events that are reported in a fund’s operating statement. The *basis of accounting* refers to the timing of revenues and how expenditures/expenses are recognized in the accounts, and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this

purpose, the District considers revenues to be available if they are collected within 60 days under the accrual basis of accounting.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses include the cost of sales and services, administration and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met. The Proprietary funds utilize the accrual basis of accounting.

The District's internal services are presented in the proprietary fund's financial statements. The principal users of Internal Services (Fleet, Engineering and Buildings) are the District's utility and recreation program activities. All Internal Services are considered a governmental - type activity for the Government-wide financial statements. The majority of utilization of internal services is by the Utility Fund, Community Services and the Beach funds. The effect of inter-fund activity has not been eliminated from the Government-wide financial statements.

The District uses the following funds:

Governmental Funds -

General Fund – is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund's primary function is to provide general administration for all other functions. The General Fund also includes the District's parks, which were moved to the General Fund from the Community Services Fund as of July 1, 2023.

Proprietary Funds -

District's Proprietary (Enterprise) Funds are used to account for operations of the District's Utilities as well as District's recreational Community Services and Beach operations.

Utility Fund – providing water, sewer, solid waste and recycling services to approximately 4,100 customers.

Community Services – providing recreation venues, programs and services to approximately 8,200 parcel owners, their guests and visitors. The Community Services Fund includes operations, capital and debt related to golf courses, event facilities, downhill skiing, recreation and fitness programs, tennis, and pickle ball.

Beach – providing beaches, picnic areas, boat launching and aquatics programs to approximately 7,700 parcel owners and their guests.

Internal Service Funds – The Internal Service Fund accounts for the financing of goods or services provided by one department to other departments of the District. The District's Internal Service Funds provides Fleet, Engineering, and Buildings Maintenance, which includes repair and maintenance of the District's vehicles and equipment, engineering services, and buildings maintenance. The Fleet, Engineering and Buildings Maintenance Departments also collectively provide planning, inspection, construction and maintenance for the District's structures and equipment.

E. Budgets and Budgetary Accounting

The District adheres to the Local Government Budget Act incorporated within Chapter 354 of the Nevada Revised Statutes, which includes the following major procedures to establish the budgetary data reflected in these financial statements.

1. On or before April 12, 2023, the Board of Trustees filed a tentative budget with the Nevada Department of Taxation. Public hearings on the tentative budget were held after the third Monday in May. On May 25, 2023, at a public hearing, the Board adopted a final budget. On or before June 1, 2023, the final budget was filed with the Nevada Department of Taxation.
2. Budgets are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP) for all funds. Formal budgetary integration in the financial records is employed to enhance management control during the year for all funds requiring budgets. Budgets are adopted for all governmental and proprietary fund types. The governmental fund type budgets are adopted on a modified accrual basis and the proprietary funds types budgets are adopted on an accrual basis. The District can amend or augment the budget after following State Statutes and, if necessary, public hearing procedures.
3. The legal level of budgetary control authority is at the fund level, with appropriations reflected at the function level. Management has no budget augmentation authority without approval by the District's Board of Trustees. The General Manager may authorize a budget adjustment, provided that the budget adjustment does not increase the level of Board-approved appropriation, by fund, and is otherwise consistent with Board policies. Generally, the expenses in the proprietary funds also may not exceed appropriations. While management -pursuant to provisions of the Nevada Revised Statutes - has flexibility to change the operating budgets of the proprietary funds, in practice this occurs only rarely. Statutes do not require that enterprise fund capital outlay, debt service payments and other non-operating cash transactions, normally reflected in the balance sheet of the proprietary funds, to be limited by the budget.
4. The District also presents select cash flow information in order to reflect all resources being used to provide for capital outlay, debt service payments and other transactions particularly in proprietary funds. This supplemental disclosure allows the District to identify the extent of current year items that are being paid from previously funded resources. The presentation includes items according to character and object. It also provides the Nevada Department of Taxation with requested information that compares to amounts reported on their budget forms.

F. Cash, Cash Equivalents and Investments

The District's cash and cash equivalents are considered to be cash-on-hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition that are held for routine expenditures.

District funds share bank accounts for operations, payroll and reimbursements. Activity between funds occurs in the regular activities of the District. The General Fund processes and disburses payments for accounts payable, payroll, and related benefits for all funds. To the extent payment has not occurred, but the cost was realized by the benefited fund, internal balances for Due from or to Other Funds are established. These are cleared monthly through pooled cash. The combined pooled balances are monitored to assure no fund makes temporary loans to another, within the context of Nevada Revised Statute 354.6118.

Nevada Revised Statutes authorize the District to invest in obligations of the U.S. Government or U.S. Treasury, providing maturities are 10 years or less from the date of purchase; the local government investment pool (LGIP) (operated by the Nevada State Treasurer); negotiable certificates of deposit issued by commercial banks or insured savings and loans; short-term negotiable notes or bonds issued

by local governments; and bankers' acceptances eligible by law for rediscount with the Federal Reserve Banks not to exceed 180 days.

Funds on deposit with LGIP are considered cash and cash equivalents. Even though the weighted average maturity of the underlying investments in the LGIP are greater than 90 days, the District can liquidate its deposits within a few days. The District has reported these deposits at cost plus accrued interest, which approximates fair value.

The District's investments are stated at fair value as of the reporting date. These are categorized using fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 are significant unobservable inputs.

G. Receivables

Receivables reflected in the District's basic financial statements include monies due from other governments, grants receivable as well as other accounts receivable.

Due From Other Governments. Property taxes are levied no later than July 10 of each year on property values assessed for the same year. The taxes may be paid in four installments as follows: the first installment is due on or before the third Monday in August, the second installment is due on or before the first Monday in October, the third installment is due on or before the first Monday in January, and the fourth installment is due on or before the first Monday in March. If payment of the taxes is not made within ten days following the day the installments become due, penalties are assessed in accordance with NRS 361.483. Once the installments become delinquent, interest is added at the rate of 10 percent per annum. Taxes levied become a perpetual lien against the property assessed until the tax and any penalty charges and interest which may accrue thereon are paid. Washoe County assesses the property tax, bills, collects, and distributes the property tax revenue.

The District also receives certain tax revenues in the General Fund which are collected by the State of Nevada. These settlements arrive within 60 days of the month close when they are generated. The amounts are listed as Due from Other Governments. The District also has an operating grant from Washoe County, received monthly in arrears. The uncollected balance of this grant is carried in Due from Other Governments.

Grants Receivable. The District has been awarded grants to finance the construction of various infrastructure projects. Such grant funds are considered earned when requisite construction costs are incurred. The District recognizes funds earned but not collected as Grants Receivable, in the government wide financial statements.

Other Receivables. Accounts receivable reflects service charges to customers and resident for deposits or fees that are earned, but not collected. The District may file a tax lien for uncollected utility service fees.

H. Inventory and Prepaid Items

Inventories of items for resale or use are recorded in the Utility, Community Services, Beach Proprietary Funds and the Internal Service Fund and are stated at the lower of cost (first-in, first-out) or market.

Certain payments are made to vendors for costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. They are recognized under the consumption method when used.

I. Restricted Assets

The District has restricted several deposits for the benefit of other agencies in connection with performance under a retail operation, construction projects, and debt service. These agencies establish the restriction by regulation or agreement.

J. Capital Assets

Capital assets include land, buildings, machinery and equipment, or water rights which are reported in the applicable governmental or business-type activities column in the government-wide financial statements. If purchased or constructed, all capital assets are recorded at historical cost. Donated capital assets are valued at acquisition value as of the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Depreciation of all exhaustible capital assets (all categories except land and construction in progress) is charged as an expense against each fund's operation. The District's policy is to capitalize assets with a normal useful life of three or more years.

The District holds 4,272 Acre Feet of Water Rights. This represents about 1,405,000,000 gallons. The District's historical records cannot separately identify the cost of water rights from land.

Activities of the General Fund include District administration, accounting and finance, information systems and technology, human resources, risk management, parks, the General Manager's office, communications and the Board of Trustees. The land, buildings, furniture and equipment, including technology assets, represent items used in common by all of the activities of the General Fund at the District's administrative office. The computers and technology represent equipment of the Information Systems & Technology (IST) department that services the needs of the entire District. These assets are presented as a part of government-wide net position.

Activities of the Community Services Proprietary Fund include two 18-hole golf courses, a large and small meeting facility, a ski resort, a recreation center, a tennis center, a skateboard park, and green spaces. Venue improvements include the cost of developing program-ready locations.

Activities of the Beach Proprietary Fund include three beaches with restricted access. One has a watercraft launch ramp and storage areas for paddleboards and kayaks. Two beaches have concession stands and playground areas. One beach provides swimming and wading pools.

Utility capital assets include traditional distribution lines, tanks, pumps and treatment. However, since the District is located in the Lake Tahoe Basin, the number of pumps, tanks and export lines is increased due to the requirements to manage in a mountainous and environmentally sensitive area.

The District has a number of Construction in Progress items related to major projects that span multiple fiscal years as well as the fact that the fiscal year-end falls in the middle of the active construction / acquisitions season. The District accumulates costs through a series of pre-design, design and acquisition stages.

Depreciation has been provided over the estimated useful lives of the various assets using the straight-line method. Board policy providing for estimated lives and capitalization thresholds of major classes of depreciable assets are summarized as follows:

<u>Asset Category</u>	<u>Depreciable Life</u>	<u>Capitalization Threshold</u>
Buildings and Structures	10 - 40 years	\$25,000
Venue Improvements	10 - 25 years	\$10,000
Service Infrastructure	5 - 40 years	\$25,000
Equipment and Vehicles	3 - 20 years	\$10,000
Right-to-Use Asset	3 - 20 years	\$10,000

K. Amortization of Bond Discounts

The discounts on bonds sold are being amortized to expense over the term of the bonds. Bonds payable are reported net of related discounts.

L. Compensated Absences and Accrued Personnel Costs

Full-time employees are provided vacation benefits that specifically relate to tenure with the District. After six months of service, employees are entitled to their vested vacation leave upon termination. The liability for vacation benefits is recognized with an expenditure or charge to the appropriate fund and activity as earned.

The District pays payroll every two weeks. Any District payroll earned as of month end is accrued based on the number of days attributed to that month to the total 14 days paid with the next scheduled payroll. Liabilities for fringe benefits and other costs, such as taxes, are also accrued on the same method.

The District has adopted a plan under which certain retirees, who have met specific service requirements, can roll unused sick leave pay to cover medical expenses after retirement. Otherwise, sick leave is not vested.

M. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that will apply to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section of deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

N. Unearned Revenue and Refundable Deposits

The District's Utility Fund reads meters in 3 cycles over the course of a month. Billing occurs once a month. Billings for the next cycle are also reconciled with actual usage. Funds received for the Tahoe Water Suppliers Association are recognized only to the extent expended and may roll over to the next year.

The District's Community Services Fund recognizes unearned revenue to the extent it has issued user passes, gift or payment cards that can be applied to future purchases. There also are advance deposits made to reserve dates for facility rentals or program registrations. User passes expire with a stated season.

O. Long-Term Debt

In the government-wide financial statement, and proprietary fund financial statements, long-term debts are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund statements net of related discounts. Bond discounts are amortized using the straight-line method and are amortized over the term of the related debt.

P. Fund Balance

In the fund financial statements, fund balance for governmental funds are reported in classifications that comprise a hierarchy based primarily on how amounts can be spent. These include "non-spendable" which are not expected to be converted to cash, such as inventory or prepaid items,

“restricted” by conditions of law, regulation grants, or contracts with external parties, “committed” which arise from formal acts of the District’s Board, “assigned” which reflect an intent by management of the District or “unassigned” which is the residual amount. The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District’s highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the District, which can act by their resolution, prior to the end of the fiscal year, and thus commit and/or assign fund balance. Once adopted, the limitation imposed by the Board of Trustees remains in place until a similar resolution is taken to remove or revise the limitation.

The District’s Board of Trustees approved an update to Board Policy 7.1.0, establishing policy related to the appropriate level of fund balances, effective for the fiscal years after June 30, 2022. The target fund balance / reserve levels established by Board policy are summarized as follows:

General Fund – The policy of the District shall be to maintain a target fund balance within the General Fund equal to 15% of annual budgeted expenditures (less transfers and debt)

- Of this amount, 5% is designated as a reserve for economic uncertainty;
- An additional 10% is to be designated as an emergency reserve to cover unanticipated expenditures resulting from emergencies or unanticipated mandates;
- In no cases shall the fund balance fall below the minimum balance requirements (4.0% of prior year expenditures) required under Nevada Administrative Code Section 354.650.

Enterprise Fund Types - The policy of the District shall be to maintain target levels of reserves within the Unrestricted Net Position of each of its enterprise funds, as follows:

- Operating Reserve Target: 25% of annual budgeted operating expenses (excluding depreciation and debt).
- Capital Reserve Target: 1 year of 3-year average annual budgeted depreciation.
- Debt Reserve Target – The District’s approved annual budget will maintain required debt coverage ratios for all existing debt; in addition, should the District issue any variable-rate debt obligations, an additional debt reserve shall be established at a level equal to one year's interest expenses related to variable-rate debt.

Q. Net Position

In the Proprietary fund and the government-wide financial statements, net position is presented in one of three classifications: “net investment in capital assets,” “restricted” and the residual “unrestricted.” The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by outstanding balances on bonds that are attributable to the acquisition, construction or improvement of those assets. The restricted component of net position consists of assets restricted by a third party reduced by associated liabilities. The unrestricted component of net position is the net amount of assets and liabilities not included in the determination of net investment of capital assets or the restricted component.

R. Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

S. Central Services Cost Allocation

The District allocates the shared costs of Accounting, Information Technology and Human Resources based under a Board-approved Central Services Cost Allocation Plan, adopted each year with the budget. The cost allocation plan considers full-time equivalent staffing-levels, wages, benefits, and certain services and supplies as a basis for determining the allocation of overhead charges. While charges are estimated based on budgeted expenses, actual charges are based on actual expenditures throughout the year. A year-end adjustment may be required to ensure costs charged do not exceed costs incurred for the fiscal year. The revenue generated by the allocation is recorded as an offset to General Government expenses (for Human Resources, Information Technology, and Accounting) in the governmental funds statements.

T. Punch Cards Utilized

Under District Ordinance 7, parcel owners may obtain up to five Picture Passes and/or Punch Cards, with the latter “valued” at 1/5th of the annual Facility Fee assessed on each parcel. As a non-exchange transaction, the revenue collected from the annual Facility Fees are reflected as a General Revenue in the Statement of Activities. Punch Cards can be used to pay-down the difference between a regular rate and the resident rate for certain types of recreational fees.

2. CASH, CASH EQUIVALENTS AND INVESTMENTS

At year-end, the carrying amount of the District’s checking deposits was \$9,128,143 while the bank balance was \$10,149,409. Of the bank balance, \$250,000 was covered by Federal Depository Insurance Coverage and the balance was covered by pledged collateral under an arrangement with the State of Nevada on behalf of all local units of government.

Cash Equivalents and Investments at June 30, 2024 consist of:

Operating Checking Accounts	\$	9,128,143
Petty cash and change funds		45,405
Nevada LGIP General Account		15,049,406
Money Market Mutual Fund		10,966,410
Government Agency Securities		1,902,300
Certificates of Deposit		6,334,291
Supranational Obligations		1,453,602
Total Cash Equivalents and Investments	\$	<u>44,879,557</u>

Restricted Deposits	\$	<u>670,140</u>
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Investments at June 30, 2024 consist of:

Local Government Investment Pool Account	\$	15,719,546
Money Market Mutual Fund		10,966,410
Government Agency Securities		1,902,300
Certificates of Deposit		6,334,291
Supranational Obligations		1,453,602
Total Investments	\$	<u>36,376,149</u>

The District is a voluntary participant in the State of Nevada Local Government Investment Pool (LGIP), which has regulatory oversight from the Board of Finance of the State of Nevada. The District’s investment in the LGIP is equal to its original investment plus monthly allocation of interest income, and realized and unrealized gains and losses, which is the same as the value of the pool shares.

Nevada Revised Statutes (NRS 355.170) set forth acceptable investments for Nevada local governments. The District has adopted a formal investment policy that meets those limits and maturities for its investment choices. Essentially those investments are brokered certificates of deposit and government agencies.

The District categorizes its fair value measurements for investments within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs.

	Fair Value Measurements as of June 30, 2024				Total
	Level 1	Inputs	Inputs		
Certificates of Deposit	\$ -	\$ 6,334,291	\$ -	\$	6,334,291
Government Agency Securities	-	1,902,300	-		1,902,300
Supranational Obligations	-	1,453,602	-		1,453,602

Investments not subject to fair value measurement:

Money Market Mutual Fund	10,966,410
Local Government Investment Pool	15,719,546
Total Fair Value Measurements	<u>\$ 36,376,149</u>

Interest Rate Risk - Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. To the extent possible, the District's portfolio shall remain sufficiently liquid so as to support near-term operating and capital expenditures. In so doing, the portfolio will have limited interest rate risk associated with long-term investments.

	Investment Maturities by Investment Type as of June 30, 2024					Total
	2025	2026	2027	2028	2029	
Certificates of Deposit	\$ 1,979,008	\$ 2,923,668	\$ 972,160	\$ 459,455	\$ -	\$ 6,334,291
Government Agency Securities	491,160	482,138	929,002	-	-	1,902,300
Money Market Mutual Fund	10,966,410	-	-	-	-	10,966,410
Local Government Investment Pool	15,719,546	-	-	-	-	15,719,546
Supranational Obligations	1,453,602	-	-	-	-	1,453,602
Total	<u>\$ 30,609,726</u>	<u>\$ 3,405,806</u>	<u>\$ 1,901,162</u>	<u>\$ 459,455</u>	<u>\$ -</u>	<u>\$ 36,376,149</u>

Credit Risk – The District's Investment Policy is based on the Uniform Prudent Investors Act and Nevada Revised Statutes 355.170 (NRS). The NRS authorizes the District to invest in obligations of the U.S. Government or U.S. Treasury, providing maturities are 10 years or less from the date of purchase; the local government pooled investment fund; negotiable certificates of deposit issued by commercial banks or insured savings and loans; short-term negotiable notes or bonds issued by local governments; and bankers' acceptances eligible by law for rediscount with the Federal Reserve Banks not to exceed 180 days. Diversification of the District's investments is guided by the Uniform Prudent Investors Act.

	Total	Ratings as of Year End		
		AAA	AA+	Not Rated
Certificates of Deposit	\$ 6,334,291	\$ -	\$ -	\$ 6,334,291
Government Agency Securities	1,902,300	-	1,902,300	-
Money Market Mutual Fund	10,966,410	10,966,410	-	-
Local Government Investment Pool	15,719,546	-	-	15,719,546
Supranational Obligations	1,453,602	494,621	958,981	-
	<u>\$ 36,376,149</u>	<u>\$ 3,346,241</u>	<u>\$ -</u>	<u>\$ 22,053,837</u>

Custodial Credit Risk – The District Investment Policy requires FDIC coverage or collateralization on deposit-type securities. The District's cash accounts on deposit with financial institutions were covered by federal depository insurance and are collateralized by the Office of the State Treasurer/Nevada Collateral Pool.

Concentration Credit Risk – The District Investment Policy calls for diversification without setting maximum allocations. The District invests in Federal government-sponsored enterprises (GSE) for safety and to meet

statutory requirements. Individual CD's are held with a number of banks at or under the FDIC insured limited calculated by those institutions. LGIP is an unrated external investment pool administered by the State Treasurer, with oversight by the State of Nevada Board of Finance.

3. RESTRICTED DEPOSITS

The assets of the EPA State Revolving Fund (SRF) Reserve may be used to service the Nevada SRF Sewer Bond of 2002. These restricted assets are pledged to provide a measure of security for the Nevada State Water Pollution Control Revolving Fund. The pledge is for \$213,000, interest earned is in the account at the District's discretion. The EPA SRF Reserve is in the LGIP Account totaling \$419,945. The assets in the TRPA (Tahoe Regional Planning Authority) Reserve may be used to satisfy performance obligations on projects authorized by the TRPA. These usually cover several years for construction and inspection phases. The total required deposits are \$211,778, and interest earned is in the account at the District's discretion. The TRPA Project Reserve is in the LGIP Account totaling \$250,195.

4. LEASES RECEIVABLE

The District is a lessor in 4 cancellable leases for radio tower space rental. The leases require payments of \$933 and \$1,815 monthly and annual payments from \$20,764 to \$119,166. The District recognized \$131,864 in lease revenue and \$43,343 in interest revenue during the current fiscal year related to these agreements. As of June 30, 2024, the lease receivable is \$1,573,428 and deferred inflows of resource is \$1,433,347

5. CAPITAL ASSETS

Capital Asset activity for the year ended June 30, 2024:

	Balance 7/1/2023 *	Increases	Decreases	Balance June 30, 2024
Governmental Activities				
Capital assets, not being depreciated				
Land	\$ 11,098,740	\$ -	\$ -	\$ 11,098,740
Construction in Progress	39,116	-	(9,174)	29,942
Total governmental capital assets, not being depreciated	11,137,856	-	(9,174)	11,128,682
Capital assets, being depreciated				
Buildings and Structures	8,878,196	-	-	8,878,196
Equipment and Vehicles	3,667,490	94,709	-	3,762,199
Subscription based IT arrangements	454,992	-	-	454,992
Total governmental capital assets, being depreciated	13,000,678	94,709	-	13,095,387
Less accumulated depreciation for:				
Buildings and Structures	(5,237,501)	(214,474)	-	(5,451,975)
Equipment and Vehicles	(2,364,507)	(232,297)	-	(2,596,804)
Subscription based IT arrangements	(104,998)	(104,998)	-	(209,996)
Total accumulated depreciation	(7,707,006)	(551,769)	-	(8,258,775)
Total governmental capital assets being depreciated, net	5,293,672	(457,060)	-	4,836,612
Governmental Activities Capital Assets, net	\$ 16,431,528	\$ (457,060)	\$ (9,174)	\$ 15,965,294

Capital Asset activity for the year ended June 30, 2024:	Balance July 1, 2023*	Increases	Decreases	Balance June 30, 2024
Business-Type Activities				
Capital assets not being depreciated				
Land - Utilities	\$ 6,715,543	\$ -	\$ -	\$ 6,715,543
Land - Community Services	3,886,737	-	-	3,886,737
Land - Beach	2,304,850	-	-	2,304,850
Construction in progress - Utilities	8,031,295	18,702,286	(13,488,109)	13,245,472
Construction in progress - Community Services	519,798	3,262,091	(3,781,889)	-
Construction in progress - Beach	72,353	328,813	(90,109)	311,057
Total capital assets, not being depreciated	21,530,576	22,293,190	(17,360,107)	26,463,659
Capital assets, being depreciated				
Buildings and structures - Utilities	130,808,449	12,616,316	(1,866,362)	141,558,403
Buildings and structures - Community Services	33,172,771	1,956,991	-	35,129,762
Buildings and structures - Beach	7,234,695	42,029	-	7,276,724
Venue improvements - Community Services	29,337,771	-	-	29,337,771
Venue improvements - Beach	2,038,694	-	-	2,038,694
Equipment and vehicles - Utilities	3,845,634	903,445	-	4,749,079
Equipment and vehicles - Community Services	13,006,164	1,596,038	(549,365)	14,052,837
Right to use leased equipment - Community Services	78,537	-	-	78,537
Equipment and vehicles - Beach	531,928	-	-	531,928
Total capital assets at historical cost	220,054,643	17,114,819	(2,415,727)	234,753,735
Less accumulated depreciation for:				
Buildings and structures - Utilities	(80,487,438)	(4,110,656)	1,866,362	(82,731,732)
Buildings and structures - Community Services	(16,858,917)	(1,151,375)	-	(18,010,292)
Buildings and structures - Beach	(2,007,750)	(217,583)	-	(2,225,333)
Venue improvements - Community Services	(18,427,394)	(813,073)	-	(19,240,467)
Venue improvements - Beach	(1,585,731)	(109,841)	-	(1,695,572)
Equipment and vehicles - Utilities	(2,948,671)	(266,560)	-	(3,215,231)
Equipment and vehicles - Community Services	(8,445,204)	(957,886)	539,327	(8,863,763)
Right to use leased equipment - Community Services	(66,615)	(11,922)	-	(78,537)
Equipment and vehicles - Beach	(394,750)	(38,427)	-	(433,177)
Total accumulated depreciation	(131,222,470)	(7,677,323)	2,405,689	(136,494,104)
Total capital assets being depreciated, net	88,832,173	9,437,496	(10,038)	98,259,631
Business-Type Activities Capital Assets, net	\$ 110,362,749	\$ 31,730,686	\$ (17,370,145)	\$ 124,723,290

* Balance as of June 30, 2023 has been restated to transfer Park capital assets from Community Services to Governmental Activities.

The District has a number of Construction in Progress projects open as of June 30, 2024. The Utility Fund includes \$6,959,728 for the Effluent Export Line that project will be ongoing through in 2026. It is important to note that the District's primary construction season is limited to May to October due to regulatory constraints imposed by the Tahoe Regional Planning Agency (TRPA). Additionally, most equipment purchases (rolling stock) are aligned with the District's annual budget and fiscal year cycle.

Depreciation expenses for the year ended June 30, 2024 were charged to functions as follows:

Governmental Activities:	
General Government	\$ 551,769
Business-Type Activities:	
Utilities	4,377,216
Community Services	2,934,256
Beach	365,851
Total Proprietary Depreciation	7,677,323
Total Depreciation Expense	<u>\$ 8,229,092</u>

6. COMPENSATED ABSENCES

At any given point the District has an obligation to its employees for the value of vacation time earned and not taken. The obligation is measured by the value due as if the employee terminated. The District allows retiring employees with an excess of 20 years of service, and that have accrued sick leave, to have it converted to Medical Retiree Benefit for reimbursing post-employment health related costs. There are 4 eligible employees covered. The District has no other post-employment benefit obligations for health insurance or retirement benefits.

	Balance June 30, 2023	Additions	Payments	Balance June 30, 2024	Amount due within one year
Sick Leave Retirement Benefit	\$ 292,953	\$ 68,606	\$ (27,251)	\$ 334,308	\$ 313,297
Accrued Vacation	721,590	960,436	(800,813)	881,213	564,661
Total compensated absences	<u>\$ 1,014,543</u>	<u>\$ 1,029,042</u>	<u>\$ (828,064)</u>	<u>\$ 1,215,521</u>	<u>\$ 877,958</u>

7. UNEARNED REVENUE

The District receives a number of payments that will be recognized as revenue or a liquidated liability based upon a future transaction when the service is provided. In the Enterprise Funds, these include:

	Community Services	Beach	Utility	Total
Billed in advance	\$ 846,676	\$ 63,190	\$ 133,181	\$ 1,043,047
Unexpired season passes	1,305,111	-	-	1,305,111
Gift cards	46,115	-	-	46,115
Total	<u>\$ 2,197,902</u>	<u>\$ 63,190</u>	<u>\$ 133,181</u>	<u>\$ 2,394,273</u>

8. INTERFUND ACCOUNTS AND TRANSFERS

The outstanding balances between funds results mainly from the time lag between the dates that (1) inter fund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All interfund receivables and payables resulted from short-term borrowing to cover negative cash balances. Interfund receivable and payable balances at June 30, 2024 are as follows:

Due To	Due from	Amount
Internal Service Fund	General Fund	<u>\$166,344</u>

9. LONG-TERM DEBT

All of the District's Long-Term Bonds are collateralized by a pledge of revenues derived and to be derived from the operation of either the Utility, Community Services or Beach venues, after deduction there from of the amount necessary to pay all operating and maintenance charges as required by applicable bond agreements. The District is also required to maintain rates sufficient to pay all maintenance, depreciation, replacement, betterment, and interest charges.

Outstanding Long-Term Debt as of June 30, 2024:

Issue	Issue Date	Maturity Date	Interest Rate	Amount Issued	Principal Outstanding	Current Portion
Governmental Activities:						
SBITA Payable	6/30/2024	7/1/2027	4.00%	454,992	\$ 239,996	\$ 114,998
Total Governmental Long-Term Liabilities					<u>239,996</u>	<u>114,998</u>
Business-Type Activities:						
Utility						
State of Nevada:						
Water IVGID-1	9/9/2004	7/1/2025	3.08%	1,687,282	165,351	109,388
Sewer CS32-0404 (G.O.)	8/1/2006	1/1/2026	2.73%	3,000,000	401,311	197,940
Water DW-1201 (G.O.)	3/16/2012	1/1/2032	2.39%	3,000,000	1,400,496	160,855
Water SRF -CW2303	4/11/2023	1/1/2053	2.19%	15,760,000	4,336,937	-
Water SRF -CW2402	1/1/2024	1/1/2053	2.19%	15,760,000	55,000	-
Total Utility Revenue Supported Debt					<u>6,359,095</u>	<u>468,183</u>
Total Debt – All Activities					<u>\$ 6,599,091</u>	<u>\$ 583,181</u>

Long-Term Debt changes for the year:

	Beginning Balance	New Issues	Principal Reductions	Ending Balance	Due Within One Year
SBITAs Payable	\$ 349,994	\$ -	\$ 109,998	\$ 239,996	\$ 114,998
Governmental Type ActivitiesTotal	349,994	-	109,998	239,996	114,998
Water IVGID-1	271,444	-	106,093	165,351	109,388
Sewer CS32-0404 (GO)	593,965	-	192,654	401,311	197,940
Water DW-1201 (GO)	1,557,574	-	157,078	1,400,496	160,855
Water SRF -CW2303	82,500	4,254,437	-	4,336,937	-
Water SRF -CW2402	-	55,000	-	55,000	-
PNC Equipment Lease	16,641	-	16,641	-	-
Business Type Total	2,522,124	4,309,437	472,466	6,359,095	468,183
Total Debt	\$ 2,872,118	\$ 4,309,437	\$ 582,464	\$ 6,599,091	\$ 583,181

By Debt Type:

General Obligation	\$ 2,151,539	\$ -	\$ 349,732	\$ 1,801,807	\$ 358,795
Revenue	271,444	-	106,093	165,351	109,388
SRF Loan	82,500	4,309,437	-	4,391,937	-
SBITAs Payable	349,994	-	109,998	239,996	114,998
Lease	16,641	-	16,641	-	-
Total Debt	\$ 2,872,118	\$ 4,309,437	\$ 582,464	\$ 6,599,091	\$ 583,181

Future Debt Service Requirements as of June 30, 2024:

Fiscal Year Ending June 30	Debt Supported by Utility Revenue		SBITAs Payable	
	Principal	Interest	Principal	Interest
2025	\$ 468,183	\$ 46,373	\$ 114,998	\$ 10,000
2026	424,055	33,677	124,998	-
2027	168,683	24,689	-	-
2028	172,739	20,633	-	-
2029	176,892	16,480	-	-
2030-2032	556,606	23,510	-	-
Total	<u>\$ 1,967,158</u>	<u>\$ 165,362</u>	<u>\$ 239,996</u>	<u>\$ 10,000</u>

The Water SRF – CW2303 loan balance of \$4,336,937 and Water SRF – CW2402 loan balance of \$55,000 is not included in the debt service requirement schedule above as the payment terms have not yet been determined.

At June 30, 2024, principal and interest to maturity to be paid from pledged future Utility Revenues totals \$1,967,158 and \$165,362.

Subscription-Based Information Technology Arrangements

Subscription-based information technology arrangements (SBITAs) that meet the requirements of GASB 96 for which the District is a subscriber are disclosed as SBITA liabilities on the District's financial statements that are presented on the accrual basis of accounting with an economic resources measurement focus. Included in the District's SBITA liabilities are subscriptions related to Enterprise Resource Planning system (Tyler Munis). GASB 96 excludes certain outflows (e.g., certain variable payments, etc.) from the measurement of SBITA liabilities. Future subscription payments for the District's SBITA liabilities are included in the schedule above. At June 30, 2024, capital assets net of accumulated depreciation related to these SBITA arrangements are \$244,996.

10. DISTRICT RETIREMENT BENEFIT PLANS

The District has two retirement plans covering substantially all of its full-time year round employees. Those not covered under the Pension Trust Fund for Operating Engineers are covered by the District's Money Purchase Pension Plan (Section 401(a)). The District also sponsors a Section 457 Deferred Compensation Plan. No trust is used in relation to these plans; account balances are in the name of the individual employee.

The District's Money Purchase Pension Section 401(a) Plan is a defined contribution plan. The plan is administered by third party administrators. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate after six months of service. The District's provides a non-elective contribution of 13.3% of the employee's earnings. The District's contributions for each employee are fully vested after four years of service. District contributions and interest forfeited by employees who leave employment before fully vesting, are used to reduce the District's current-period contribution requirement. Employees are not allowed to contribute directly into this plan.

The Pension Trust Fund for Operating Engineers is a cost sharing, multiple employer, defined benefit plan contract between the District's employees and the Operating Engineers Union. The plan provides retirement and medical benefits to eligible participants based on a formula of years of service and reaching a qualifying age. It is available to approximately 66 positions in the District, covered by the collective bargaining agreements, with only four electing to do so. The District is not a party to this defined benefit plan. The District's liability under the union collective bargaining agreement is limited to making monthly contributions based on union employees' pay for hours worked. Consequently, the District is not liable for any funding shortage of the defined benefit plan. Each year the District contributions to the plan equal 100% of the District's liability under the bargaining agreement. The Pension Trust Fund for Operating Engineers issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Pension Trust Fund for Operating Engineers, 1600 Harbor Bay Parkway, Suite 200, Alameda, California 94502 or by calling (800) 251-5014.

The District's Deferred Compensation (Section 457) Plan is a defined contribution plan. The plan is administered by third party administrators. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate immediately after the first day of a month of employment. Employee contributions are subject to Internal Revenue Service regulations for Section 457 plans. The District provides a matching contribution up to 6%. Both employee and District contributions are fully vested 100% as made.

The District's total contributions equal to required contributions for employees covered by the above plans are as follows:

<u>FYE June 30</u>	<u>401(a) Money Purchase</u>	<u>Operating Engineers</u>	<u>Employer Section 457</u>	<u>Employee Section 457</u>
2024	<u>\$1,257,372</u>	<u>\$ 134,943</u>	<u>\$ 528,065</u>	<u>\$ 755,405</u>

The District offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, available to all District employees, permit them to defer a portion of their earnings until future years. The deferred compensation benefit is not collectible by employees until termination, retirement, death, or unforeseeable emergency.

11. SCHEDULE OF INSURANCE COVERAGE AND RISK MANAGEMENT

Insurance Coverage on June 30, 2024 consists of the following:

Type	Carrier/Provider	Amount
Property Liability on buildings & contents	NV Public Agency Pool	\$ 300,000,000
Earthquake & Flood	NV Public Agency Pool	150,000,000
Boiler & Machinery	NV Public Agency Pool	100,000,000
General Liability	NV Public Agency Pool	10,000,000
Cyber Security Event	NV Public Agency Pool	3,000,000
Money & Securities	NV Public Agency Pool	500,000
Site Pollution Incident	NV Public Agency Pool	2,000,000
Ski Resort Gen. Liability	Nova Casualty Company	1,000,000
Ski Resort Excess Liability	Nova Casualty Company	6,000,000
Workers Compensation	NV Public Agency Comp. Trust	2,000,000

The District has elected to participate in the Nevada Public Agency Insurance Pool. The risk-sharing Pool secures insurance coverage for all its members. The Pool agreement provides coverage for the equivalent of errors and omissions and directors' and officers' acts. The Pool does not offer general or excess liability coverage for the Diamond Peak Ski Resort. Therefore, separate coverage is purchased.

A portion of each member's premium contributions to the Pool goes into the Loss Fund and the remainder pays for the excess insurance premiums and administrative expenses. The amount of the Loss Fund contribution is determined by the underwriters based on each member's average annual losses over the prior five years. This amount may vary each year.

The Pool pays all losses from the Loss Fund per occurrence, less the member's maintenance deductible. The District has a \$5,000 deductible. Excess insurance above the Pool's self-funded amount, is provided by secondary markets based on arrangements made with the Pool, including a Pool owned captive.

There were no District settlements in excess of insurance coverage in any of the three prior fiscal years.

Ski Liability Insurance is not covered by the Nevada Public Agency Insurance Pool. A separate insurance program, less the District's \$10,000 deductible, provides coverage.

The District has elected to participate in the Nevada Public Agency Compensation Trust (NVPACT) to provide workers compensation coverage for all employees. The District pays quarterly assessments. The assessments are based on actuarial estimates provided by NVPACT utilizing covered payroll data for the most recent calendar year. A portion of each member's assessment goes into the Loss Fund and the remainder pays for the excess insurance premiums and administrative expenses. This amount may vary each year.

12. PLEDGED REVENUE AND COVERAGE

The District has a number of debt issuances outstanding that are collateralized by the pledging of certain revenues. The amount and term of the remainder of these commitments are indicated in the debt service to maturity tables presented in note 9. The purposes for which the proceeds of the related debt issuances were utilized are disclosed in the debt descriptions in note 9. For the current year, debt service payments as a percentage of pledged gross revenue are indicated in the table below. These percentages also approximate the relationship of debt service to pledged revenue for the remainder of the term of the commitment:

For the current year, debt service payments as a percentage of pledged gross revenue are indicated in the table below. These percentages also approximate the relationship of debt service to pledged revenue for the remainder of the term of the commitment:

<u>Description of Pledge Revenue</u>	<u>Annual Amount of Pledged Revenue</u>	<u>Annual Debt Service Payments</u>	<u>Debt Service as a Percentage of Pledged Revenue</u>
Sewer Service Revenue	\$8,837,018	\$207,536	2.35%
Water Service Revenue	6,437,227	307,020	4.77%

13. CLAIMS PAYABLE

Claims payable are as follows for the last two fiscal years:

	<u>Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>End of Year</u>
FY2023	\$763,479	-	356,533	406,946
FY2024	\$406,946	130,000	(406,946)	130,000

14. BOARD DESIGNATIONS

At its meeting of March 3, 2020, the Board of Trustees took action to assign \$9,656,890 for the purpose of earmarking these funds for the Effluent Export Pipeline Project. On August 12, 2020, the Board designated an additional \$1,912,767 for this purpose. As of June 30, 2021, an additional \$1,889,210 in unexpended FY2020/21 appropriations were designated for this project. When combined with an additional \$754,568 in accrued interest earnings, the total funding designated by the Board of Trustees for the Effluent Export Pipeline Project amounted to \$14,213,435. As of June 30, 2024 the level of funding set-aside by the Board for this purpose was used as a result of project spending. In fiscal year 2023 additional project funds were secured through a State Revolving Fund loan. Funds designated for the Effluent Export Pipeline Project represent a portion of funds received by the District from utility rate revenues established and collected specifically for Utility capital improvement projects.

Notwithstanding the Board's action to designate funding for the Effluent Pipeline Project, this funding remains in the unrestricted net position of the District's business-type activities on the government-wide Statement of Net Position. This is due to the determination that the Board's designation does not rise to the level of meeting the criteria set forth in GASB Statement No. 34 for restricted net position within proprietary funds.

15. LEASE AGREEMENTS

Revenue:

Non-operating revenue includes rent received for cell towers on District property. The District has an agreement with American Tower for a tower at the Mountain Golf Course. The current term started in April 2017, and was extended five years through 2027 with rent increases of \$3 per year, cancelable by either party. The District has two agreements with AT&T for a tower at the Mountain Golf Course and a tower at Diamond Peak. The term for the tower at the Mountain Golf Course Tower started in October 2015 and was extended five years, through 2039, with rent increases of 3\$ per year, cancelable by the tenant. The tower at Diamond Peak Ski Resort has a term started in July 2018 for 5 years and was extended five years, with rent increases of 3.5% per year, cancelable by the tenant, through 2037. The District has an agreement with T-Mobile (assigned to Crown Castle) for a cell tower lease at Diamond Peak Ski Resort with a term from June 2017 to 2027. In fiscal year 2024 the District received from these agreements \$208,022 in lease revenue and \$41,802 in interest revenue.

District leases 1.5 acres of property adjacent to the Incline Village Middle School to the Parasol Foundation for \$1.00 per year.

District leases property located at 969 Tahoe Boulevard to the Reno-Sparks Convention and Visitor Authority for \$1.00 per year.

Expenses:

The District holds a Use Permit for Diamond Peak operations and activities on property owned by the U.S. Forest Service adjacent to District-owned property. The District pays an annual permit fee based on revenues generated by selected Ski operations. The agreement does not meet the criteria for recording a lease payable as the payment amounts are dependent on future events.

16. COMMUNITY SERVICES AND BEACH FUNDS

The District provides recreation functions through two of its proprietary enterprise funds. Each serves a different set of venues and customer base. A significant source of revenue for these functions for operations, capital expenditure and debt service comes directly from a facility fee assessed by parcel for each function and expenditure type. Facility Fees have been listed separately by fund. The operating portion of the assessed facility fee is combined with charges for services to provide the resources for providing services. Charges for services are aggregated, while expenditures are provided by function. As stated in Note 1 T, part of the facility fee can be used to pay for charges for services in lieu of other forms of payment. These are referred to as Punch Cards.

17. COMMITMENTS AFFECTING FUTURE PERIODS

General Fund:

The District entered into an unemployment insurance contract with First Nonprofit Companies for total premiums of \$212,700 for calendar year 2024 services. As of June 30, 2024, \$106,350 in quarterly deposits are remaining as a part of the subsequent year's budget.

Capital Improvement Project Budget Carry-Forward:

The District budgets for capital improvement projects one year at a time for spending authority. The actual execution of construction or acquisition can span one or more fiscal years. The District identifies carryover and unspent budget authority for those projects. The amounts for governmental fund types are re-budgeted for the subsequent fiscal year. The unused Utility Fund, Community Services Fund, and Beach Fund resources become part of Unrestricted Net Position, and are budgeted under cash flow on the State of NV budget forms. Board-approved amounts carried-forward at year-end are as follows:

Utility Fund	\$29,739,707
Community Services Fund	20,500
Beach Fund	<u>7,643</u>
Total Carry Forward	<u>\$29,767,849</u>

The District has committed to contractual obligations for selected capital improvement projects through contracts, resulting in encumbered funds at year-end. These are included in the appropriations carry-forward to the FY2024/25 budget, and are summarized as follows:

PO Number	Fund	Description	Total Amount	Remaining Balance	Vendor
22400050	Beach	Axess - RFID Beach Access	\$ 11,584	\$ 7,624	Axess Americas INC
22400221	Beach	Axess - RFID Smart Scanner 600	7,624	-	Axess Americas INC
22400267	Beach	Incline Beach House & Ski Beach Topo Survey.	21,750	18	Shaw Engineering, LTD
22400284	Beach	Incline Beach House Geotech Investigation	10,300	-	Black Eagle Consulting, Inc.
22400287	Community Services	Rec Center HVAC Design Work	185,500	5,500	Ainsworth Associates Mechanical Engineers
22400068	Community Services	Snowmaking Infrastructure Replacement	413,169	15,000	TechnoAlpin USA, Inc
22400260	Golf	Skate Park 30% Design	20,000	-	Spohn Ranch Inc
22400236	Utility	Alder Avenue Waterlines - Construction.	536,517	-	Gerhardt & Berry Construction Inc
22400231	Utility	Amendment 10; Effluent Tank construction.	200,157	133,795	Jacobs Engineering Group Inc
22400302	Utility	BCWDP Cable Replacement	11,954	1,682	DXP Enterprises, Inc.
22400168	Utility	Effluent Export Pipeline Construction, GMP 2	46,744,705	28,720,462	Granite Construction Company
22400273	Utility	Effluent Pipeline Construction Services	59,141	36,970	HDR Engineering, Inc.
22400232	Utility	Effluent Storage Tank CMAR Project - Construction	6,636,174	508,988	Granite Construction Company
22400186	Utility	SPS #1 Improvements Project.	1,173,500	274,607	San Joaquin Electric, Inc.
22400185	Utility	SPS 1 Construction Management services.	29,620	7,383	DOWL, LLC
22400080	Utility	SPS 1 Mechanical Engineer sub-consultant.	17,250	1,331	DOWL, LLC
22400148	Utility	WRRF Centrifuge repair/maintenance.	171,880	54,489	Centrisys Corporation
Total Carryforward			<u>\$ 56,250,825</u>	<u>\$ 29,767,849</u>	

18. STATE OF NEVADA TAX ABATEMENTS AFFECTING DISTRICT REVENUES

The State of Nevada has entered into various tax abatement agreements that reduce the tax revenues of local governments. Taxes reduced include the Consolidated Tax, which includes allocated sales and use tax revenue. State law establishes the abatements. The District's estimated share of abatements for this fiscal year is \$7,142.

19. PRIOR PERIOD RESTATEMENTS

During the current fiscal year, the District identified errors in the previously issued financial statements for the year ended June 30, 2023. As a result, the beginning fund balances and net position as of July 1, 2023, have been restated.

In addition, effective July 1, 2023, the District's Board of Directors approved the reclassification of Park activities from the Community Services Fund to the General Fund. The activity was previously reported as a proprietary fund; however, the Board determined that its operations are more appropriately reflected within governmental activities.

The following table summarizes the effects of these restatements on the beginning fund balances and net position as of July 1, 2023:

	Fund Financial Statements					Statement of Activities	
		<u>Community</u>			<u>Internal</u>	<u>Governmental</u>	<u>Business-Type</u>
	<u>General Fund</u>	<u>Services Fund</u>	<u>Utility Fund</u>	<u>Beach Fund</u>	<u>Service Fund</u>	<u>Activities</u>	<u>Activities</u>
Fund Balance / Net Position							
As reported at June 30, 2023	<u>\$ 4,682,526</u>	<u>\$ 65,237,011</u>	<u>\$ 81,577,078</u>	<u>\$ 15,159,525</u>	<u>\$ (613,078)</u>	<u>\$ 7,078,141</u>	<u>\$ 161,973,614</u>
Change within financial reporting entity:							
Park activities	(1,373,824)	(11,022,190)	-	-	-	11,022,190	(11,022,190)
Correction of errors:							
Accrued liabilities	(5,612)	-	-	-	-	(5,612)	-
Unrecorded receivables	-	-	173,383	-	-	-	173,383
Unearned revenue	-	(363,135)	(13,845)	-	-	-	(376,980)
Correction of internal service charges for services	(17,681)	-	(57,133)	(218,263)	293,077	275,397	(275,396)
Total Restatement	<u>(1,397,117)</u>	<u>(11,385,325)</u>	<u>102,405</u>	<u>(218,263)</u>	<u>293,077</u>	<u>11,291,975</u>	<u>(11,501,183)</u>
Fund Balance, July 1, as restated	<u>\$ 3,285,409</u>						
Net position, July 1, as restated		<u>\$ 53,851,686</u>	<u>\$ 81,679,483</u>	<u>\$ 14,941,262</u>	<u>\$ (320,001)</u>	<u>\$ 18,370,116</u>	<u>\$ 150,472,431</u>

20. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

Expenditures exceeded budgeted appropriations in the following funds for the fiscal year ended June 30, 2024:

<u>Fund</u>	<u>Final Budget</u>	<u>Actual Expenditures</u>	<u>Excess</u>
Utilities Fund	\$ 15,545,524	\$ 15,752,260	\$ (206,736)
Community Service Fund	23,570,366	23,608,957	(38,591)
Beach Fund	2,777,687	3,054,542	(276,855)
Internal Service Fund	3,519,107	3,795,973	(276,866)

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
SCHEDULE OF EMPLOYER REQUIRED CONTRIBUTIONS
TO DEFINED CONTRIBUTION MULTI-EMPLOYER PLANS
FOR THE TEN MOST RECENT FISCAL YEARS**

		<u>Operating Engineers</u>		
For the year ending June 30:		<u>Number of</u>	<u>Covered</u>	<u>Required</u>
		<u>Participants</u>	<u>Payroll</u>	<u>Contributions</u>
	2024	11	1,017,303	134,943
	2023	7	571,293	54,149
	2022	4	407,132	54,149
	2021	4	373,171	45,900
	2020	4	323,455	39,810
	2019	4	318,699	39,200
	2018	4	308,114	37,898
	2017	4	315,764	38,839
	2016	5	346,008	42,559
	2015	4	275,846	33,929

See notes to required supplementary information

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts			Variance Positive (Negative)
	Original	Final	Actual	
REVENUES				
Ad valorem taxes	\$ 2,145,020	\$ 2,145,020	\$ 2,142,172	\$ (2,848)
Personal Property Tax	13,000	13,000	18,705	5,705
Intergovernmental:				
Consolidated Tax	1,910,494	1,910,494	1,761,495	(148,999)
Local Government Tax Act	269,300	269,300	279,095	9,795
Rental income	-	-	61,760	61,760
Investment income	111,000	111,000	47,302	(63,698)
Charges for services	-	-	42,120	42,120
Total revenues	<u>4,448,814</u>	<u>4,448,814</u>	<u>4,352,649</u>	<u>(96,165)</u>
EXPENDITURES				
Current:				
General manager	843,589	843,589	720,485	123,104
Trustees	201,395	201,395	139,382	62,013
Accounting	352,171	1,761,433	884,285	877,148
Information services	1,525,398	1,579,042	1,394,237	184,805
Human resources	341,516	341,516	198,398	143,118
Health & wellness	68,529	68,529	65,402	3,127
Community & employee relations	227,248	227,248	193,066	34,182
Administration	1,428,645	1,428,645	2,418,455	(989,810)
Risk management	165,885	165,885	103,697	62,188
Capital Outlay	2,382,443	2,130,517	94,709	2,035,808
Debt Service:				
Principal	-	-	109,998	(109,998)
Interest	-	-	15,000	(15,000)
Total expenditures	<u>7,536,819</u>	<u>8,747,799</u>	<u>6,337,114</u>	<u>2,410,685</u>
Net change in fund balance	<u>(3,088,005)</u>	<u>(4,298,985)</u>	<u>(1,984,465)</u>	<u>2,314,520</u>
Fund Balance, July 1, as previously reported	4,682,526	4,682,526	4,682,526	-
Restatement for change within financial reporting entity	-	(1,373,824)	(1,373,824)	-
Restatement for correction of error	-	(23,293)	(23,293)	-
Fund Balance, July 1, as restated	<u>4,682,526</u>	<u>3,285,409</u>	<u>3,285,409</u>	<u>-</u>
Fund balance, June 30	<u>\$ 1,594,521</u>	<u>\$ (1,013,576)</u>	<u>\$ 1,300,944</u>	<u>\$ 2,314,520</u>

See notes to required supplementary information.

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
UTILITIES FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION - BUDGET AND ACTUALS
FOR THE YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts			Variance Positive (Negative)
	Original	Final	Actual	
OPERATING REVENUES				
Sales and fees	\$ 16,141,216	\$ 16,141,216	\$ 15,846,029	\$ (295,187)
Operating grants	-	-	455	455
Interfund services	64,270	64,270	62,105	(2,165)
Total operating revenues	16,205,486	16,205,486	15,908,589	(296,897)
OPERATING EXPENSES				
Wages and benefits	5,712,748	5,712,748	5,580,458	132,290
Services and supplies	3,837,488	5,061,450	3,353,151	1,708,299
Defensible space	100,000	100,000	99,105	895
Central services cost	-	-	629,130	(629,130)
Insurance	261,200	261,200	317,444	(56,244)
Utilities	1,112,376	1,112,376	1,302,479	(190,103)
Professional fees	172,050	172,050	93,277	78,773
Depreciation	3,125,700	3,125,700	4,377,216	(1,251,516)
Total operating expenses	14,321,562	15,545,524	15,752,260	(206,736)
Operating income	1,883,924	659,962	156,329	(503,633)
NONOPERATING REVENUES (EXPENSES)				
Investment earnings (losses)	352,600	352,600	1,276,787	924,187
Interest expense	(58,730)	(58,730)	(92,006)	(33,276)
Total nonoperating revenues (expenses)	293,870	293,870	1,184,781	890,911
Income before transfers and contributions	2,177,794	953,832	1,341,110	387,278
Capital Grant Contributions	-	5,529,250	364,011	(5,165,239)
Change in net position	2,177,794	6,483,082	1,705,121	(4,777,961)
Total net position, July 1 as previously reported	81,577,078	81,577,078	81,577,078	-
Restatement for correction of error	-	102,405	102,405	-
Net position, July 1 as restated	81,577,078	81,679,483	81,679,483	-
Total net position, June 30	\$ 83,754,872	\$ 88,162,565	\$ 83,384,604	\$ (4,777,961)

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
COMMUNITY SERVICES FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION - BUDGET AND ACTUALS
FOR THE YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts			Variance Positive (Negative)
	Original	Final	Actual	
OPERATING REVENUES				
Sales and fees	\$ 22,122,542	\$ 22,122,542	\$ 20,981,651	(1,140,891)
Operating grants	116,984	116,984	21,741	(95,243)
Recreation fee	-	-	2,338	2,338
Total operating revenues	22,239,526	22,239,526	21,005,730	(1,233,796)
OPERATING EXPENSES				
Wages and benefits	10,793,062	10,793,062	11,741,620	(948,558)
Cost of goods sold	1,685,505	1,685,505	1,248,217	437,288
Services and supplies	4,992,394	5,320,347	4,341,136	979,211
Defensible space	100,000	100,000	79,790	20,210
Central services cost	1,188,682	1,552,682	1,188,682	364,000
Insurance	485,900	485,900	379,042	106,858
Utilities	1,147,515	1,147,515	1,620,577	(473,062)
Professional fees	40,255	40,255	75,637	(35,382)
Depreciation	2,445,100	2,445,100	2,934,256	(489,156)
Total operating expenses	22,878,413	23,570,366	23,608,957	(38,591)
Operating income	(638,887)	(1,330,840)	(2,603,227)	(1,272,387)
NONOPERATING REVENUES (EXPENSES)				
Investment earnings (losses)	407,900	407,900	805,562	397,662
Loss on disposition of capital assets	-	-	1,739	1,739
Insurance proceeds	-	-	8,857	8,857
Lease revenue	128,950	128,950	208,022	79,072
Interest expense	-	-	(1,874)	(1,874)
Total nonoperating revenues (expenses)	536,850	536,850	1,022,306	485,456
Change in net position	(102,037)	(793,990)	(1,580,921)	(786,931)
Total net position, July 1	53,851,686	53,851,686	53,851,686	-
Total net position, June 30	\$ 53,749,649	\$ 53,057,696	\$ 52,270,765	\$ (786,931)

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
BEACH FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION - BUDGET AND ACTUALS
FOR THE YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts			Variance Positive (Negative)
	Original	Final	Actual	
OPERATING REVENUES				
Sales and fees	\$ 1,297,900	\$ 1,297,900	\$ 1,483,753	\$ 185,853
Recreation fee	3,525,340	3,525,340	3,539,409	14,069
Total operating revenues	4,823,240	4,823,240	5,023,162	199,922
OPERATING EXPENSES				
Wages and benefits	1,162,001	1,162,001	1,621,831	(459,830)
Cost of goods sold	-	-	36,257	(36,257)
Services and supplies	619,879	959,448	625,095	334,353
Central services cost	138,488	179,688	138,488	41,200
Insurance	48,600	48,600	63,854	(15,254)
Utilities	113,100	113,100	171,688	(58,588)
Professional fees	17,850	17,850	31,478	(13,628)
Depreciation	297,000	297,000	365,851	(68,851)
Total operating expenses	2,396,918	2,777,687	3,054,542	(276,855)
Operating income	2,426,322	2,045,553	1,968,620	(76,933)
NONOPERATING REVENUES (EXPENSES)				
Investment earnings (losses)	96,400	96,400	263,959	167,559
Total nonoperating revenues (expenses)	96,400	96,400	263,959	167,559
Change in net position	2,522,722	2,141,953	2,232,579	90,626
Total net position, July 1 as previously reported	15,159,525	15,159,525	15,159,525	-
Restatement for correction of error	-	(218,263)	(218,263)	-
Net position, July 1 as restated	15,159,525	14,941,262	14,941,262	-
Total net position, June 30	\$ 17,682,247	\$ 17,083,215	\$ 17,173,841	\$ 90,626

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
INTERNAL SERVICES FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION - BUDGET AND ACTUALS
FOR THE YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts			Variance Positive (Negative)
	Original	Final	Actual	
OPERATING REVENUES				
Interfund services	\$ 3,584,623	\$ 3,584,623	\$ 3,809,228	\$ 224,605
Operating grants	-	-	253	253
Total operating revenues	<u>3,584,623</u>	<u>3,584,623</u>	<u>3,809,481</u>	<u>224,858</u>
OPERATING EXPENSES				
Wages and benefits	2,494,198	2,494,198	2,691,433	(197,235)
Services and supplies	973,509	973,509	1,063,177	(89,668)
Insurance	19,500	19,500	23,332	(3,832)
Utilities	9,700	9,700	11,586	(1,886)
Professional fees	15,000	15,000	1,760	13,240
Depreciation	7,200	7,200	4,685	2,515
Total operating expenses	<u>3,519,107</u>	<u>3,519,107</u>	<u>3,795,973</u>	<u>(276,866)</u>
Operating income	<u>65,516</u>	<u>65,516</u>	<u>13,508</u>	<u>(52,008)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment earnings (losses)	-	-	1,742	1,742
Total nonoperating revenues (expenses)	<u>-</u>	<u>-</u>	<u>1,742</u>	<u>1,742</u>
Change in net position	65,516	65,516	15,250	(50,266)
Total net position, July 1 as previously reported	(613,078)	(613,078)	(613,078)	-
Restatement for correction of error	-	293,077	293,077	-
Net position, July 1 as restated	<u>(613,078)</u>	<u>(320,001)</u>	<u>(320,001)</u>	<u>-</u>
Total net position (deficit), June 30	<u>\$ (547,562)</u>	<u>\$ (254,485)</u>	<u>\$ (304,751)</u>	<u>\$ (50,266)</u>

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING
STANDARDS***

Independent Auditor's Report

Board of Trustees
Incline Village General Improvement District
Incline Village, Nevada

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Incline Village General Improvement District (District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued a qualified opinion because we were unable to obtain sufficient appropriate audit evidence supporting \$743,724 of inventories at June 30, 2024. Our report thereon is dated June 11, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in 2024-001 through 2024-004 and 2024-006 to be material weaknesses.

2024-001 Journal Entries Detected During the Audit

An important element of control over financial reporting is for management to identify adjustments necessary for financial statements to be fairly stated. Whenever possible, adjustments should be reflected in the accounting records prior to the start of the audit.

When this is not possible, management should identify and communicate to the auditors the potential areas of adjustment that may need to be addressed during the audit process. Auditing standards require the reporting of material adjustments identified through the audit process as weaknesses in an entity's internal control structure.

Material and immaterial audit adjustments recorded during the audit are included in the attached schedule.

Recommendation

We recommend that IVGID enhance its year-end closing procedures to include areas that resulted in audit adjustments.

Management's Response Regarding Corrective Action Taken or Planned

Management agrees with the recommendation and recognizes the importance of identifying and recording all necessary adjustments prior to the commencement of the annual audit.

The year-end checklist and closing timeline, initially developed for fiscal year 2023, will be revised and expanded to include all key areas that resulted in audit adjustments. The updated checklist will serve as a comprehensive tool to guide the year-end close and ensure timely completion of all required reconciliations, schedules, and entries.

In addition, management will provide targeted training to accounting staff to ensure they understand the year-end procedures, the importance of timely and accurate entries, and the necessity of communicating any complex or uncertain items to auditors in advance.

These improvements will strengthen the District's internal controls over financial reporting and improve the accuracy and completeness of financial statements prior to the audit.

2024-002 Timeliness of Financial Reporting and Account Reconciliations

Due to the introduction of a new accounting system in July 2022 and significant turnover of District finance staff during 2023 and 2024, there was a significant delay in financial reporting and account reconciliations including bank reconciliations and reconciliations of accounting system balances to subsidiary ledgers.

Recommendation

To allow management and the Board of Trustees with accurate and timely information to enable them to make informed decisions, the bank reconciliations should be completed within 30 days of month end. The District staff should reconcile other asset and liability balances to subsidiary listings on a monthly basis to ensure there are no errors in the financial statements. This would include reconciling receivables, payables, and unearned revenues to supporting documentation. Capital asset accounting should be recorded and reconciled throughout the year to ensure the accuracy of the accounting records. The District should ensure their staffing and systems are sufficient to allow for timely reporting to meet State and other reporting deadlines.

Management's Response Regarding Corrective Action Taken or Planned

Management acknowledges the delays in financial reporting and account reconciliations that occurred due to the implementation of a new accounting system and staff turnover in fiscal years 2023 and 2024.

To address these challenges, the District is taking the following corrective actions:

- **Bank Reconciliations:** Procedures have been updated to ensure that all bank reconciliations are completed within 30 days of month-end. This timeline is being monitored and enforced as part of the monthly closing process.
- **Monthly Reconciliations:** Staff are now required to reconcile all key asset and liability accounts—such as receivables, payables, and unearned revenues—to supporting documentation on a monthly basis. These reconciliations are being reviewed by supervisory personnel for accuracy and completeness.
- **Capital Asset Accounting:** Interim procedures have been established to record and reconcile capital asset activity throughout the fiscal year. The planned implementation of the Capital Asset Module in FY25–26 will further improve the accuracy and timeliness of capital asset reporting.
- **Staffing and Training:** Management is actively evaluating staffing levels and has initiated targeted training to ensure all accounting personnel are equipped to meet financial reporting deadlines and maintain accurate records.

2024-003 Physical Inventory Observation

For the fiscal year ended June 30, 2024, the District staff performed a physical observation and count of inventory assets held at several locations. However, a physical observation and count of inventory assets was not performed at the Diamond Peak Pro Shop and for the Internal Service Fund parts inventory. We also identified several fuel inventory and inventory clearing accounts with negative balances in the Community Services Fund totaling \$69,130. Additionally, we performed test counts of 40 inventory items at the Champion Pro Shop and the Mountain Pro Shop at June 30, 2024. For 20% of the sample, there were differences between the number of items we counted and the number of items reported in the accounting records. As a result, we are unable to obtain sufficient audit evidence that the amounts in the accounting records are accurate.

Recommendations

We recommend that the District perform annual physical observation and counts of inventory on all assets held as inventory. After the physical observation is performed, the accounting records should be adjusted to update the quantity of each item to match the quantity physically observed. Fuel inventory and other clearing accounts should also be evaluated and reconciled to ensure accurate reporting.

Management's Response Regarding Corrective Action Taken or Planned

Management agrees with the recommendation and acknowledges the need to strengthen controls and oversight related to inventory management and reporting.

To address the findings, the District is implementing the following corrective actions:

- **Annual Physical Inventory:** Beginning in fiscal year 2025, the District will ensure that a complete physical inventory count is conducted annually at all locations that maintain inventory, including the Golf Shop and the Internal Service Fund parts inventory. A standardized inventory count schedule and checklist will be developed and followed across all departments.
- **Inventory Record Adjustments:** After each physical inventory count, quantities in the accounting system will be reconciled and adjusted, as necessary, to reflect actual on-hand amounts. Variances will be reviewed and investigated by management to identify and correct underlying causes.
- **Fuel and Inventory Clearing Accounts:** The District will evaluate and reconcile all fuel inventory and inventory clearing accounts monthly to ensure accurate balances. Procedures will be updated to prevent and promptly correct negative

balances in these accounts.

- **Training and Oversight:** Staff involved in inventory tracking and reporting will receive additional training on proper inventory procedures and documentation requirements. Supervisory review will be incorporated into the inventory reconciliation process to ensure accountability and accuracy.

Management is committed to improving the accuracy and reliability of inventory reporting as part of the District's overall financial management practices.

2024-004 Bank Reconciliations and Journal Entry Errors

In October 2024, we reviewed the June 2024 bank reconciliation and noted an unreconciled variance of \$24,319. To correct the variance, the District recorded a journal entry to plug the difference to an Over & Short expense account without first identifying the reason for the variance. The bank reconciliation is an important tool to allow the District to verify that all cash transactions are recorded during the month. At June 30, 2024, there are also approximately \$77,000 of outstanding checks that have been outstanding for more than a year. Stale dated outstanding checks should be investigated and potentially written off if it is unlikely that they will be cashed.

Similar to the bank reconciliation variance noted above, during our audit we observed certain journal entries that were made to plug balances to reconcile other accounts, such as capital assets.

Recommendation

There appears to be a lack of care taken to completely understand the reason for errors prior to correcting them, and instead a tendency to hide errors to make them go away. This is a cultural problem that should not be tolerated by management. The bank reconciliation should be reconciled to \$0 every month and no journal entries should be recorded to hide or plug unresolved errors. This District should make improvements to their review process for bank reconciliations and journal entries to ensure accurate financial reporting.

Management's Response Regarding Corrective Action Taken or Planned

Management concurs with the need for improvement and will implement appropriate training and engage experienced accounting personnel to ensure that bank reconciliations are completed accurately and in accordance with Generally Accepted Accounting Principles (GAAP) and applicable accounting standards.

2024-006 Tyler ERP Implementation Issues

In July 2022, the District implemented the new Tyler ERP system. There are several components of the implementation that are not yet complete or need to be modified to allow the District to utilize the system correctly. As it relates to the financial statement audit, those issues include the following:

1. The accounts payable detail in Tyler does not reconcile to the amounts reported in the trial balance.
2. The system allows journal entries to be split between different funds without balancing entries. This creates an opportunity for errors in recording accounting transactions. For example, during the audit, we identified a receivable recorded in the General Fund while the revenue for the same transaction was recorded in an Enterprise Fund. In this situation, when the receivable is collected, the cash will be recorded in the General Fund instead of the Enterprise Fund.

3. The system has a separate fund that is not part of the financial reporting entity that is used to balance cash and payroll transactions. This fund should net to \$0 after payroll liabilities have been paid. However, during the audit, we identified balances in the clearing accounts that resulted in errors in the manner in which the payroll journal entries were recorded in the system.
4. The payroll system is not correctly mapped to the trial balance, resulting in the need for manual journal entries to record payroll transactions.
5. The capital asset module has not yet been implemented.

Recommendation

We recommend the District continue to work through the implementation issues with the Tyler software to allow the system to work properly without manual adjustment by District staff.

Management's Response Regarding Corrective Action Taken or Planned

- **Accounts Payable Reconciliation:** Management has addressed the issue of unreconciled aging reports with the general ledger. Procedures have been implemented to ensure that accounts payable aging reports remain current and reconciled with subsidiary ledgers on a monthly basis. This task is now incorporated into the month-end closing procedures.
- **Staff Training and Allocation Oversight:** Management has recognized the need for enhanced training on allocation processes and pooled cash management. Oversight controls have been strengthened to ensure that entries are reviewed with appropriate supporting documentation before being posted to the general ledger.
- **Payroll Journal Entry Process:** Management has identified the journal entries automatically generated by the Tyler payroll system after each pay period, as well as additional entries required for payments to third-party vendors (e.g., deferred compensation plans, health insurance premiums).
- **Payroll System Understanding:** Management acknowledges that staff previously lacked a full understanding of the payroll system's journal entry automation, which led to unnecessary manual entries. These manual entries have been discontinued.
- **Capital Asset Module Implementation:** Management has scheduled the rollout of the Capital Asset Module for fiscal year 2025–2026.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in 2024-007 through 2024-011 to be significant deficiencies.

2024-007 Information System Controls

We identified the following opportunities for improvements over the District's information systems:

1. The District does not perform a periodic review of user accounts to sensitive systems, including access to the network and financial software. District staff said they do perform informal reviews, but the timing is inconsistent and does not encompass all sensitive systems.
2. The District does not perform regular review of user system access in Tyler. Additionally, the District does not maintain a list of individuals authorized to initiate and approve transactions in Tyler.
3. The District could improve environmental controls over the administrative facility data center/computer room. Specifically, there is no automated fire suppression system to detect or prevent damage.

Recommendation

We recommend the District perform periodic review of user access to sensitive systems, including active directory, financial systems, and remote access. The review should be completed on a periodic basis based on the risk of the system. The Tyler system access rights were originally established in July 2022. However, the District should periodically review the rights and continue to set up the system access to identify who has the authority to initiate and approve disbursements in the system. The District should also review environmental controls to determine if improvements are needed.

Management's Response Regarding Corrective Action Taken or Planned

Management agrees with the recommendation and recognizes the importance of maintaining strong information system controls to safeguard sensitive data and financial systems.

To address the findings, the District is taking the following corrective actions:

- **User Access Reviews:** The District has implemented a formal, documented process for conducting periodic reviews of user accounts with access to sensitive systems, including Active Directory, Tyler Technologies (financial software), and remote access to tools. These reviews occur at least annually, or more frequently based on risk, and include verification of appropriate access levels, prompt removal of terminated users, and alignment of access with current job responsibilities.
- **Tyler System Controls:** The District has established and maintains a current list of individuals authorized to initiate and approve financial transactions within the Tyler system. In addition, access roles and permissions within Tyler will be reviewed at least annually to ensure segregation of duties and appropriate access controls are in place. Any updates to access rights will be documented and reviewed by supervisory staff.
- **Environmental Controls:** The District will assess the administrative facility's data center for vulnerabilities related to environmental risks, including the lack of an automated fire suppression system. Based on this assessment, management will develop a plan to mitigate potential risks, which may include installing enhanced fire detection and suppression systems or relocating critical equipment as appropriately.

These steps will help the District strengthen its IT control environment, improve system security, and support the integrity of financial reporting.

2024-008 Capital Asset Records

During our audit, we identified several concerns over capital asset accounting as follows:

1. Our audit identified material and immaterial errors in the recording of capital assets during the fiscal year ended June 30, 2024 including not moving completed assets out of construction in progress, not properly identifying and recording capital asset additions, not properly identifying and recording capital asset deletions, recording construction in progress in the wrong project, and recording capital asset transactions in the wrong fund or asset category.
2. The District's capital asset records are maintained in an Excel file. We identified immaterial errors between the capital asset records and the trial balance. The District recorded transactions in the trial balance to force the accounts to match; however, it is unclear whether the trial balance is wrong or if the asset listing is wrong. As a result, we rejected the proposed adjustments. We also identified errors and inconsistencies in the historical classification of certain capital assets.

3. There are several fully depreciated assets in the capital asset listing, which could be a result of assets no longer in service that are still in the detailed listing.

Recommendation

We recommend the District perform a complete physical inspection of all capital assets for all assets that can be inspected. For underground assets, the District should review the historical records to determine the reasonableness of the fully depreciated assets to determine if any of the assets are no longer in use. We recommend the District carefully review the capital asset details to ensure assets are recorded in the correct asset classification and there is consistency in recording assets. Additionally, immaterial variances between the trial balance and the capital asset listing should be vetted to determine the cause of the difference before making a decision to correct either the trial balance or the capital asset listing.

Management's Response Regarding Corrective Action Taken or Planned

Management acknowledges the audit findings related to capital asset accounting for the fiscal year ended June 30, 2024, and is taking the following corrective actions to ensure compliance with Generally Accepted Accounting Principles (GAAP) and to strengthen internal controls over capital asset reporting:

- **Use of Excel for Capital Asset Records and Trial Balance Reconciliation:** Management acknowledges that maintaining the capital asset records in Excel has led to inconsistencies and reconciliation challenges between the asset listing and the trial balance. To address this:
 - Management will discontinue the practice of recording "forced" entries to reconcile discrepancies
 - A comprehensive reconciliation of the capital asset ledger and the general ledger will be conducted to identify and correct discrepancies
 - Historical classifications will be reviewed for consistency, and misclassified assets will be corrected
 - As part of the planned rollout of the Capital Asset Module in FY25–26, the District will transition from Excel-based tracking to a more robust system that integrates with the general ledger and provides improved tracking, audit trails, and internal controls
- **Fully Depreciated Assets Review:** Management acknowledges that the presence of fully depreciated assets in the capital asset listing may indicate assets no longer in service. To address this:
 - A full review and physical inventory of capital assets will be conducted to identify and remove assets that are no longer in use
 - Asset retirement procedures will be formalized to ensure timely and accurate removal of disposed or decommissioned assets from the capital asset register
 - The updated listing will ensure that only active and reportable assets are included, improving the accuracy and reliability of capital asset reporting

Management is committed to improving the accuracy, transparency, and integrity of its capital asset accounting processes. These corrective actions will strengthen internal controls, ensure compliance with accounting standards, and provide stakeholders with more reliable financial information.

2024-009 Internal Service Fund Deficit

At June 30, 2024, the internal service fund has a deficit net position of \$304,751. This represents and undercharging of expenses to other funds.

Recommendation

We recommend management and the Board of Trustees develop a plan to make the internal service funds whole for past undercharging of expenses and review the current policy to determine if it is adequate to cover future internal service fund expenses.

Management's Response Regarding Corrective Action Taken or Planned

Management acknowledges the deficit net position of \$304,751 in the internal service fund as of June 30, 2024, which is the result of historical undercharging of expenses to other funds. Management agrees with the recommendation and is taking the following corrective actions:

- **Deficit Recovery Plan:** A recovery plan is being developed to address the accumulated deficit. This plan will include a phased approach to allocate the undercharged costs to benefiting funds over a defined period, minimizing the impact on current operations while ensuring the internal service fund is made whole.
- **Policy Review and Update:** Management is reviewing the current cost allocation methodology and internal service fund policy to assess its adequacy in fully capturing and recovering costs. Any deficiencies will be corrected, and the revised policy will be presented to the Board of Trustees for approval.
- **Future Monitoring and Adjustments:** Going forward, internal service fund charges will be regularly reviewed and adjusted, as necessary, during the budget process to ensure that rates are sufficient to fully recover the cost of services provided. Management is committed to maintaining the financial health of the internal service fund and ensuring equitable cost recovery across all benefiting funds.

2024-010 Cash Disbursement Controls

We reviewed a sample of 40 cash disbursement transactions and noted the following:

1. Documentation provided for 12 transactions for purchases of goods did not contain a packing slip with a signature indicating receipt of goods.
2. Documentation provided for 17 transactions did not contain evidence that the disbursement was approved by a separate individual than the one who initiated the purchase.

Recommendation

District's management reviewed the results of our testing and certified that they believe none of the transactions were fraudulent. We recommend the District improve their documentation of reviews and approvals of transactions and that two knowledgeable individuals are involved in every disbursement transaction.

Management's Response Regarding Corrective Action Taken or Planned

Management acknowledges the deficiencies identified in the review of cash disbursement controls and concurs with the recommendation to strengthen internal controls and documentation practices related to disbursements. The following corrective actions are being implemented:

- **Receipt of Goods Documentation:** Procedures are being updated to require that all purchases of goods include a signed packing slip or other documentation confirming receipt. Staff will be trained on the importance of verifying and documenting receipt before payment is authorized.

- **Segregation of Duties:** Management is reinforcing the requirement that all disbursements must be reviewed and approved by a person other than the individual who initiated the purchase. This segregation of duties will be monitored by supervisory staff and incorporated into the disbursement review checklist to ensure compliance.

2024-011 Point of Sale (POS) Reconciliations

The District uses multiple Point of Sale systems to record transactions. During the audit, we obtained system detail to verify the accuracy of the trial balance. We noted immaterial differences between the system reports and the trial balance for certain revenues. We encountered some difficulties in reconciling some system reports due to differences in how transactions are recorded in the trial balance or how transactions are recorded in the POS.

Recommendation

We recommend the District continue to review how information from the POS systems are used to record transactions in Tyler. We recommend periodic reconciliations of POS system reports to Tyler to verify transactions are recorded in the correct revenue accounts and to verify the completeness of cash receipts.

Management's Response Regarding Corrective Action Taken or Planned

Management concurs with the recommendation.

The District will continue to evaluate how information from each Point of Sale (POS) system is recorded in the general ledger within Tyler. Finance staff are working with department leaders to ensure consistency in the mapping of POS revenue data to the appropriate revenue accounts.

To strengthen internal controls and ensure the completeness and accuracy of financial records, the District will implement periodic reconciliations of POS reports to the Tyler general ledger. These reconciliations will verify that revenue is properly classified and that cash receipts are complete and accurately recorded.

Procedures and reconciliation templates will be developed by the Finance Department and implemented. Training will be provided to staff involved in the reconciliation process, and findings will be reviewed on a regular basis.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards*, and is described in 2024-005.

2024-005 Budget Noncompliance

Budget Augmentation

The Board of Trustee's approved Resolution No. 1097 dated January 31, 2024 related to a budget augmentation for the fiscal year ended June 30, 2024 audit. Upon review by the

Nevada Department of Taxation, the budget augmentation was denied as the District did not have the necessary available resources in accordance with NAC 354.410 and the augmentation did not meet the requirements of NRS 354.598005.

Excess Expenditures over Appropriations

As disclosed in the notes to the financial statements, expenditures exceeded budgeted appropriations in several funds.

Recommendation

We recommend the District follow the State of Nevada guidelines for approving budget augmentations and ensure expenditures do not exceed the approved budget.

Management's Response Regarding Corrective Action Taken or Planned

Staff has communicated with the State Department of Taxation to ensure a clear understanding of the Nevada Revised Statutes and Nevada Administrative Code to stay in conformity with budget augmentation statutes and codes.

The District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our engagement and described above. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Irvine, California
June 11, 2025



STATE OF NEVADA
DEPARTMENT OF TAXATION

MAIN OFFICE
3850 Arrowhead Drive
Carson City, Nevada 89706

JOE LOMBARDO
Governor

GEORGE KELESIS
Chair, Nevada Tax Commission

SHELLIE HUGHES
Executive Director

July 28, 2025

Incline Village General Improvement District
Jessica O'Connell/Director of Finance
893 Southwood Boulevard
Incline Village, NV 89451

Re: Annual Audit Report – Fiscal Year 2024

Dear Ms. O'Connell:

Pursuant to NRS 354.6245, the Department of Taxation is charged with the review of all annual audits to determine their compliance with statutes and/or regulations. The Department must also identify all violations of statute and/or regulations reported therein.

In reviewing the audit, the auditor noted on page 39, an excess of expenditures over appropriations in the following funds:

- Utilities Fund an excess of expenditures over appropriations by \$206,736, pg. 42
- Community Service Fund an excess of expenditures over appropriations by \$38,591, pg. 43
- Beach Fund an excess of expenditures over appropriations by \$276,855, pg. 44
- Internal Service Fund an excess of expenditures over appropriations by \$276,866, pg. 45

Additionally, it was noted that the Budget to Actual comparison as required, reflected incorrect Budget information for the FY23/24 Audit. The Department of Taxation is requiring this be corrected to reflect the budget as approved or augmented/amended in accordance with NRS 354.598005.

The Department requests that a letter of corrective action be submitted to the Department no later than August 28, 2025, the governing body shall advise the Department what action has been taken to prevent recurrence of each violation of law or regulation or to correct violations reflected above.

If you should have any questions, please do not hesitate to contact me at 775-684-2065 or by e-mail at Kgrahmann@tax.state.nv.us.

Sincerely,

A handwritten signature in blue ink that reads "Kellie Grahmann".

Kellie Grahmann
Budget Analyst
Local Government Finance

IVGID CENTRALIZED SERVICE COST

IVGID Cost Allocation Model
Summary of Allocations

Fund No	Dept No	Description	Info Tech	Info Tech	Finance	Finance	Human Resources	Total Allocation	Overhead Rate
		Basis for allocation:	45% by FTEs	45% by transactions	80% by budget	20% by blended payroll	100% by blended payroll		
100	10	General Manager	20,038	-	1,988	8,828	38,001	68,855	5.8%
100	11	Trustees	44,083	-	5,700	4,218	18,158	72,159	29.7%
100	12	Finance	80,150	-	22,035	23,360	100,559	226,103	8.6%
100	13	Information Technology	48,090	-	60,464	12,276	52,844	173,673	8.6%
100	14	Risk Assessment	14,026	-	2,212	3,779	16,266	36,283	11.1%
100	15	Human Resources	52,098	-	17,874	14,154	60,931	145,057	10.3%
100	16	Health & Wellness	2,004	-	96	767	3,303	6,170	19.3%
100	17	Community Relations	8,817	-	2,085	3,208	13,809	27,919	12.7%
100	99	Other	-	-	55,418	-	-	55,418	5.5%
		Subtotal - General Fund	269,305	-	167,872	70,589	303,871	811,637	8.9%
200	22	Water	131,126	235,999	203,154	38,208	164,480	772,968	12.5%
200	25	Sewer	163,106	265,661	158,102	39,944	171,951	798,762	13.2%
200	27	Solid Waste	9,538	-	10,303	1,941	8,354	30,136	9.1%
200	28	Utilities-Other	-	5,072	3,543	-	-	8,615	7.7%
		Subtotal - Utilities	303,769	506,732	375,102	80,093	344,785	1,610,481	12.7%
320	31	Champ Golf	59,712	137,895	138,838	28,500	122,687	487,631	10.5%
320	32	Mtn Golf	18,835	35,429	51,216	11,160	48,043	164,683	9.9%
330	33	Facilities	44,243	61,400	60,593	13,552	58,337	238,124	13.4%
340	34/36	Ski	99,146	-	300,836	62,099	267,325	729,405	6.8%
350	46	Rec Center	-	6,875	4,757	3,560	15,326	30,519	3.8%
300	48	Recreation	69,130	34,908	63,152	22,016	94,775	283,981	13.1%
360	49	CS Admin	-	119,863	9,454	1,261	5,428	136,007	25.4%
370	43	Parks	20,158	1,657	43,644	9,145	39,369	113,973	8.2%
380	45	Tennis	-	8,151	15,717	2,455	10,569	36,892	7.1%
		Subtotal - Comm. Services	311,223	406,179	688,206	153,748	661,859	2,221,215	9.2%
390	38/39	Beach	28,614	-	74,100	21,890	94,235	218,838	6.9%
410	51	Fleet	-	-	-	-	-	-	0.0%
420	52	Eng	-	-	-	-	-	-	0.0%
430	53	Bldgs	-	-	-	-	-	-	0.0%
		Subtotal - Internal Services	-	-	-	-	-	-	0.0%
		IVGID TOTAL	912,911	912,911	1,305,280	326,320	1,404,750	4,862,171	9.1%

CSC-Central Service Cost Attestation Certification

A CSC-**Centralized Service Cost Planning** system is used by governments and organizations to allocate costs for shared services like accounting, human resources, IT, and purchasing. These costs are distributed among different departments or projects to ensure fair and consistent budgeting.

IVGID's CSC current policies outlines:

- Costs Allowed
- Allocation Method
- Billing Rates

IVGID engaged Baker Tilly to evaluate the existing allocation method. Several methodologies can fairly distribute indirect costs across departments. Common approaches include Personnel Effort, Headcount, Square Footage, and Usage-Based Allocation.

Some methods apply a broad multiplier (e.g., overhead), while others provide a more precise allocation. IVGID's past practice used services and supply costs as the base allocation across all departments. In some cases, this methodology is effective, while in others, alternative approaches are recommended—such as using workstation and point-of-sale counts or, if those are unavailable, FTE headcount and revenue to allocate IT costs. Given the FY26 budget deadline constraints, Baker Tilly provided a reliable analysis to assist with budget planning.

The methodology that has been adopted is in conformity with the Nevada Revised Statute (NRS) Section 354.107 (Regulations) 354.613(c) and The Nevada Administrative Code (NAC) includes provisions related to Central Service Cost Allocation under Section 354.8668. This section outlines how local governments may allocate costs for services and property payable from the general fund, internal service funds, enterprise funds or other funds.

Past practice used a broad multiplier approach using services & supplies. The recent analysis incorporated services and supplies, full-time employee count and revenues. This method is effective but a more robust and effective approach is recommended.

The current method used allocates costs in a manner that:

- (a) Provides for an equitable distribution of general, overhead, administrative and similar costs of the local government; and
- (b) allocates to an enterprise fund only costs for services and property that are assignable or chargeable to the cost objective of the enterprise fund.
- (c) based upon either audited historical data or budget data

A more detailed and in-depth CSC study is recommended. This extensive analysis would require more time and fieldwork across departments to collect sufficient data for a more refined allocation methodology. The board has decided to readdress the more in-depth analysis later date.

IVGID RATES & CHARGES MEMO

MEMORANDUM

TO: Board of Trustees

THROUGH: Robert W. Harrison
District General Manager

FROM: Jessica O'Connell
Director of Finance

SUBJECT: Review, Discuss and Possibly Approve Resolution Number 1917: A Resolution Approving the Report for Collection of Recreation Standby and Service Charges for Fiscal Year 2025/2026 in the amount of \$720 for Recreation and \$655 for Beach

DATE: May 30, 2025

I. RECOMMENDATION

That the Board of Trustees make a motion to adopt Resolution Number 1917, which approves the report for the collection of Recreation Standby and Services Charges (also known as the Recreation Facility Fee and Beach Facility Fee).

II. BACKGROUND

Each year, the District establishes an annual Recreation Facility Fee and Beach Facility Fee, collected from property owners within the District through a levy placed on their property tax bill. Washoe County Tax Collection Office collects these fees on behalf of the District.

These fees are determined based on the revenues required to support debt, capital expenditures, and operations for the District's various recreation and beach facilities. Combined with service charges collected for facility use and program activities, these revenues sustain the operations funded by the Community Services Fund and Beach Fund.

As part of the annual budget process, the Board is required to approve a resolution outlining the billing and collection process set forth in Nevada Revised Statutes 318.197 (establishing standby service charges for services and facilities furnished by the District) and 318.201 (establishing the collection method). The resolution also confirms the date for the required public hearing to consider the proposed Recreation Facility Fee and Beach Facility Fee before the Board's final approval.

Once approved, the District provides Washoe County with the appropriate fee

amounts to be assessed on each individual parcel within the District, following the prescribed process.

Staff have prepared the Report for Collection on the Washoe County Tax Roll for the Recreation Standby and Service Charges (also known as the Recreation Facility Fee and Beach Facility Fee). Before final approval, the Board may modify the allocation of the combined fees. The final approval of these fees is scheduled for May 30, 2025, following the required public hearing.

The Board is reminded that the collection method is rooted in historical references. The report includes a table highlighting major events that connect the current fee to past assessments. Additional sections cover budgetary and collection processes.

Fiscal Year	Historical Recreation Fee Per Parcel		
	Total Recreation Fee	Total Beach Fee	Combined Fee(s)
2025-26	720	655	1,375
2024-25	150	300	450
2023-24	-	455	455
2022-23	450	330	780
2021-22	100	680	780
2020-21	330	500	830
2019-20	705	125	830
2018-19	705	125	830
2017-18	705	125	830
2016-17	730	100	830
2015-16	730	100	830
2014-15	730	100	830
2013-14	730	100	830
2012-13	730	100	830
2011-12	715	115	830
2010-11	730	100	830
2009-10	623	113	736
2008-09	605	155	760

Traditionally, the value of the punch card is one-fifth of the total Facility Fee. If the Board wishes to change this proportion, it must set a defined punch card value.

III. **FINANCIAL IMPACT AND BUDGET**

Staff have prepared the preliminary FY2025-26 budget to support District operations, capital improvements, and debt service. As proposed:

- **Recreation Facility Fee** of \$720 will be collected from all properties within the District to support the Community Services Fund.
- **The Beach Facility Fee** of \$655 will be collected from eligible properties with beach access to support the Beach Fund.

These assumptions are reflected in the preliminary 2025-26 Recreation Roll Report, subject to final Board approval.

Fee Type	Parcels	Amount	Fund	Revenue
Recreation Facility Fee	8261	\$ 720	Community Services	5,947,920
Beach Facility Fee	7802	\$ 655	Beach Fund	5,110,310
Total Facility Fee Revenue		\$ 1,375		\$ 11,058,230

The recommendation may change by May 30, 2025, the date that is set for the public hearing and final Board adoption.

IV. **ALTERNATIVES**

The Board can direct Staff to revise, change, or modify the Recreation Facility Fee and Beach Facility Fee as currently proposed.

V. **ATTACHMENTS**

Rec Roll 2025-2026 – Resolution 1917

RENO/SPARKS CONVENTION & VISITORS AUTHORITY

RSCVA EXTENSION REQUEST



P.O. Box 837
Reno, NV 89504 USA
t: 775.827.7600
VisitRenoTahoe.com

June 30, 2025

Kellie Grahmann
Nevada Department of Taxation
3850 Arrowhead Drive, 2nd Floor
Carson City, Nevada 89706

Dear Ms. Grahmann:

The Reno-Sparks Convention & Visitors Authority (RSCVA) is formally requesting an extension for submission of our Annual Comprehensive Financial Report (ACFR) and related external audit, for the fiscal year ended June 30, 2024, in accordance with the provisions of NAC 354.735, which in part, states: *The reason the application is being made, including an explanation of why the statutory date for submission could not be met if due care and adequate planning were exercised by the local government and the auditor.*

We respectfully request an extension of our deadline to August 31, 2025, based on our prior conversations with the Nevada Department of Taxation.

We are unable to issue our financial report on time due to the following extenuating circumstances. The employee responsible for overseeing the completion of the ACFR is currently on medical leave. Resources have been brought in to complete the ACFR. The ACFR has been drafted and the RSCVA is currently waiting the completion of the Audit.

In addition, we consulted with our Bond Advisor, who confirmed that this delay will not negatively affect our debt service disclosure requirements whatsoever.

Thank you for your time and consideration.

Sincerely,

Robert Chisel
Finance Consultant
Reno-Sparks Convention & Visitors Authority

Reno-Sparks Convention & Visitors Authority

RSCVA FINAL BUDGET



May 30, 2025

Kellie Grahmann:

The Reno-Sparks Convention and Visitors Authority herewith submits the final budget for the fiscal year ending June 30, 2026.

This budget contains no funds, including Debt Service, that require property tax revenues.

This budget contains three (3) governmental type funds with estimated expenditures of \$65,452,329 and one (1) proprietary fund with estimated expenses of \$2,867,585.

Copies of this budget have been filed for public record and inspection in the offices enumerated in NRS 354.596 Local Government Budget Act.

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert Chisel", is written over a light blue horizontal line.

Robert Chisel
Interim Vice President of Finance
rchisel@visitrenotahoe.com



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Nevada Department of Taxation
1550 College Parkway, Suite 115
Carson City, NV 89706-7937

Reno-Sparks Convention & Visitors Authority herewith submits the FINAL budget for the
fiscal year ending June 30, 2026

This budget contains 0 funds, including Debt Service, requiring property tax revenues totaling \$ 0

The property tax rates computed herein are based on preliminary data. If the final state computed revenue limitation permits, the tax rate will be increased by an amount not to exceed 0. If the final computation requires, the tax rate will be lowered.

This budget contains 3 governmental fund types with estimated expenditures of \$ 65,452,329 and
1 proprietary funds with estimated expenses of \$ 2,867,585

Copies of this budget have been filed for public record and inspection in the offices enumerated in NRS 354.596 (Local Government Budget and Finance Act).

CERTIFICATION

I Robert Chisel
(Print Name)

Interim Vice President of Finance
(Title)

certify that all applicable funds and financial
operations of this Local Government are
listed herein

Signed _____

Dated: May 30, 2025

APPROVED BY THE GOVERNING BOARD

See Attached

Mayor Hillary Schieve

See Attached

Richard Jay, Vice Chair

See Attached

Councilwoman Charlene Bybee

See Attached

County Commissioner Alexis Hill

See Attached

Dr. Eddie Ableser

See Attached

Mr. Stephen Ascuaga

See Attached

Mr. Glenn Carano

See Attached

Mr. John East

See Attached

Mr. Greg Long

Date and Time: May 22, 2022, 2:00 PM

Publication Date: 05/16/2025 - 05/23/2025



P.O. Box 837
Reno, NV 89504 USA
t: 775.827.7600
VisitRenoTahoe.com

RENO-SPARKS CONVENTION & VISITORS AUTHORITY

Eddie Ableser

Alexis Hill

Stephen Ascuaga

Richard Jay

Charlene Bybee

Greg Long

Glenn Carano

Hillary Schieve

John East

RENO-SPARKS CONVENTION & VISITORS AUTHORITY



P.O. Box 837
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Fiscal Year 2025-2026 Budget Resolution

Resolution #603

WHEREAS, Nevada Revised Statutes (NRS) require that the Authority prepare and file a final budget for the fiscal year 2025-2026; and,

WHEREAS, a final budget for fiscal year 2025-2026 has been prepared in the manner and on the forms prescribed; and,

WHEREAS, the proposed budget is attached hereto; and,

WHEREAS, a public hearing as required by NRS has been held at the time and place noticed, and there being no opposition or change resulting from such public hearing.

NOW, THEREFORE, it is **RESOLVED** that the attached budget be adopted as the final budget for fiscal year 2025-2026 and that it be made an integral part of this resolution.


Passed and adopted this 22nd day
of May 2025, by the Governing Body
consisting of 9 members

9
Ayes

0
Nays

0
Absent

0
Abstain


Chairman

Attest:


Secretary/Treasurer

Form-Spanish Corporation 6/2/15 10/2/16 10/2/16

FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION

	ACTUAL PRIOR YEAR ENDING 06/30/24	ESTIMATED CURRENT YEAR ENDING 06/30/25	BUDGET YEAR ENDING 06/30/26
General Government	16.00	17.00	16.00
Judicial			
Public Safety			
Public Works			
Sanitation			
Health			
Welfare			
Culture and Recreation			
Community Support	129.00	130.00	128.00
TOTAL GENERAL GOVERNMENT	145.00	147.00	144.00
Utilities			
Hospitals			
Transit Systems			
Airports			
Other			
TOTAL	145.00	147.00	144.00

POPULATION (AS OF JULY 1)			473,606
SOURCE OF POPULATION ESTIMATE*			
Assessed Valuation (Secured and Unsecured Only)			
Net Proceeds of Mines			
TOTAL ASSESSED VALUE			
TAX RATE			
General Fund			
Special Revenue Funds			
Capital Projects Funds			
Debt Service Funds			
Enterprise Fund			
Other			
TOTAL TAX RATE	N/A	N/A	N/A

* Use the population certified by the state in March each year. Small districts may use a number developed per the instructions (page 6) or the best information available.

Budget For Fiscal Year Ending June 30, 2026

GOVERNMENTAL FUNDS AND EXPENDABLE TRUST FUNDS	BEGINNING FUND BALANCES	CONSOLIDATED TAX REVENUE	PROPERTY TAX REQUIRED	TAX RATE	OTHER REVENUE	OTHER FINANCING SOURCES OTHER THAN TRANSFERS IN	OPERATING TRANSFERS IN	TOTAL
FUND NAME	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
General	17,498,810	-	-	N/A	54,677,274	-	-	72,176,084
Capital Projects	6,610,069	-	-	N/A	-	-	4,205,000	10,815,069
DEBT SERVICE	14,307,072	-	-	N/A	195,000	-	5,281,900	19,783,972
Subtotal Governmental Fund Types, Expendable Trust Funds	38,415,951	-	-		54,872,274	-	9,486,900	102,775,125
PROPRIETARY FUNDS								
	XXXXXXXXXX				XXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX
	XXXXXXXXXXXXX				XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX
	XXXXXXXXXXXXX				XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX
	XXXXXXXXXXXXX				XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX
	XXXXXXXXXXXXX				XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX
Subtotal Proprietary Funds	XXXXXXXXXXXXX				XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX
TOTAL ALL FUNDS	XXXXXXXXXXXXX				XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX	XXXXXXXXXXXXX

SCHEDULE A-1 ESTIMATED EXPENDITURES AND OTHER FINANCING USES

Budget For Fiscal Year Ending June 30, 2026

Budget Summary for Reno-Sparks Convention & Visitors Authority
(Local Government)

GOVERNMENTAL FUNDS AND EXPENDABLE TRUST FUNDS		SALARIES AND WAGES	EMPLOYEE BENEFITS	SERVICES, SUPPLIES AND OTHER CHARGES **	CAPITAL OUTLAY ***	CONTINGENCIES AND USES OTHER THAN OPERATING TRANSFERS OUT	OPERATING TRANSFERS OUT	ENDING FUND BALANCES	TOTAL
FUND NAME	*	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
General	-	13,088,308	7,743,660	32,101,810	174,000	200,000	9,486,900	9,381,405	72,176,084
Capital Projects	C	-	-	-	4,205,000	-		6,610,069	10,815,069
Debt Service	D	-	-	8,139,550	-	-		11,644,422	19,783,972
TOTAL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS		13,088,308	7,743,660	40,241,360	4,379,000	200,000	9,486,900	27,635,896	102,775,125

* FUND TYPES: R - Special Revenue
C - Capital Projects
D - Debt Service
T - Expendable Trust

** Include Debt Service Requirements in this column

SCHEDULE A-2 PROPRIETARY AND NONEXPENDABLE TRUST FUNDS

Budget For Fiscal Year Ending June 30, 2026

Budget Summary for Reno-Sparks Convention & Visitors Authority
(Local Government)

FUND NAME	*	OPERATING REVENUES (1)	OPERATING EXPENSES (2) **	NONOPERATING REVENUES (3)	NONOPERATING EXPENSES (4)	OPERATING TRANSFERS		NET INCOME (7)
						IN (5)	OUT(6)	
Internal Service (Self Insurance)	I	2,708,856	2,867,585	-	-	-	-	(158,729)
TOTAL		2,708,856	2,867,585	-	-	-	-	(158,729)

* FUND TYPES: E - Enterprise
I - Internal Service
N - Nonexpendable Trust
** Include Depreciation

REVENUES	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/26	
	ACTUAL PRIOR YEAR ENDING 6/30/2024	ESTIMATED CURRENT YEAR ENDING 6/30/2025	TENTATIVE APPROVED	FINAL APPROVED
Interest Earnings	-	-	-	-
Other	-	-	-	-
Subtotal	-	-	-	-
OTHER FINANCING SOURCES:				
Operating Transfers In (Schedule T)				
General	4,360,396	6,100,000	3,000,000	4,205,000
BEGINNING FUND BALANCE	9,138,454	8,173,069	6,610,069	6,610,069
Prior Period Adjustment(s)				
Residual Equity Transfers				
TOTAL BEGINNING FUND BALANCE	9,138,454	8,173,069	6,610,069	6,610,069
TOTAL RESOURCES	13,498,850	14,273,069	9,610,069	10,815,069
EXPENDITURES				
Capital Outlay	5,325,781	7,663,000	4,000,000	4,205,000
Subtotal	5,325,781	7,663,000	4,000,000	4,205,000
OTHER USES				
CONTINGENCY (not to exceed 3% of total expenditures)				
Transfers Out (Schedule T)				
ENDING FUND BALANCE	8,173,069	6,610,069	5,610,069	6,610,069
TOTAL COMMITMENTS & FUND BALANCE	13,498,850	14,273,069	9,610,069	10,815,069

Reno-Sparks Convention & Visitors Authority
FUND: Capital Projects

EXPENDITURES AND RESERVES	(1) ACTUAL PRIOR YEAR ENDING 6/30/2024	(2) ESTIMATED CURRENT YEAR ENDING 6/30/2025	(3) (4) BUDGET YEAR ENDING 06/30/26	
			TENTATIVE APPROVED	FINAL APPROVED
Type: General Obligation				
Principal	5,200,000	5,470,000	5,750,000	5,750,000
Interest	2,879,150	2,612,400	2,331,900	2,331,900
Fiscal Agent Charges	6,380	5,000	5,000	57,650
Subtotal	8,085,530	8,087,400	8,086,900	8,139,550
TOTAL RESERVED (MEMO ONLY)				
Type: General Obligation				
Principal	5,200,000	5,470,000	5,750,000	5,750,000
Interest	2,879,150	2,612,400	2,331,900	2,331,900
Fiscal Agent Charges				
Reserves - increase or (decrease)				
Other - Defeasance	-	-	-	-
Subtotal	8,079,150	8,082,400	8,081,900	8,081,900
TOTAL RESERVED (MEMO ONLY)				
Type:				
Principal				
Interest				
Fiscal Agent Charges				
Reserves - increase or (decrease)				
Other (Specify)				
Subtotal				
TOTAL RESERVED (MEMO ONLY)				
Type:				
Principal				
Interest				
Fiscal Agent Charges				
Reserves - increase or (decrease)				
Other (Specify)				
Subtotal				
TOTAL RESERVED (MEMO ONLY)				
ENDING FUND BALANCE	13,881,364	14,307,072	11,510,834	11,644,422
TOTAL COMMITMENTS & FUND BALANCE	21,966,894	22,394,472	19,597,734	19,783,972

Reno-Sparks Convention & Visitors Authority
SCHEDULE C - DEBT SERVICE FUND
THE ABOVE DEBT IS REPAYED BY OPERATING RESOURCES

PROPRIETARY FUND	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/26	
	ACTUAL PRIOR YEAR ENDING 6/30/2024	ESTIMATED CURRENT YEAR ENDING 6/30/2025	TENTATIVE APPROVED	FINAL APPROVED
OPERATING REVENUE				
User Charges	2,336,061	2,476,225	2,443,830	2,708,856
Total Operating Revenue	2,336,061	2,476,225	2,443,830	2,708,856
OPERATING EXPENSE				
Claims expense	2,444,031	2,517,352	2,769,087	2,797,345
Administrative expense	45,860	53,260	58,586	70,240
Depreciation/Amortization				
Total Operating Expense	2,489,891	2,570,612	2,827,673	2,867,585
Operating Income or (Loss)	(153,830)	(94,387)	(383,843)	(158,729)
NONOPERATING REVENUES				
Interest Earned				
Property Taxes				
Subsidies				
Consolidated Tax				
Total Nonoperating Revenues	-	-	-	-
NONOPERATING EXPENSES				
Interest Expense				
Total Nonoperating Expenses	-	-	-	-
Net Income before Operating Transfers	-	-	-	-
Transfers (Schedule T)				
In				
Out				
Net Operating Transfers	-	-	-	-
CHANGE IN NET POSITION	(153,830)	(94,387)	(383,843)	(158,729)

Reno-Sparks Convention & Visitors Authority
SCHEDULE F-1 REVENUES, EXPENSES AND NET POSITION
FUND: Internal Service (Self Insurance)

PROPRIETARY FUND	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/26	
	ACTUAL PRIOR YEAR ENDING 6/30/2024	ESTIMATED CURRENT YEAR ENDING 6/30/2025	TENTATIVE APPROVED	FINAL APPROVED
A. CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from users	610,023	732,028	951,636	458,000
Quasi-external operating with other funds	1,726,038	2,071,246	2,692,619	2,250,856
Payments to vendors for services & supplies	(2,497,622)	(2,747,384)	(3,077,070)	(2,867,585)
a. Net cash provided by (or used for) operating activities	(161,561)	55,890	567,185	(158,729)
B. CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Cash received from other funds	162,259	194,711	272,595	-
b. Net cash provided by (or used for) noncapital financing activities	162,259	194,711	272,595	-
C. CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
c. Net cash provided by (or used for) capital and related financing activities	-	-	-	-
D. CASH FLOWS FROM INVESTING ACTIVITIES:				
	-	-	-	-
d. Net cash provided by (or used in) investing activities	-	-	-	-
NET INCREASE (DECREASE) in cash and cash equivalents (a+b+c+d)	698	250,601	839,780	(158,729)
CASH AND CASH EQUIVALENTS AT JULY 1, 20xx	192,347	193,045	443,646	443,646
CASH AND CASH EQUIVALENTS AT JUNE 30, 20xx	193,045	443,646	1,283,426	284,917

Reno-Sparks Convention & Visitors Authority
SCHEDULE F-2 STATEMENT OF CASH FLOWS
FUND: Internal Service (Self Insurance)

ALL EXISTING OR PROPOSED
GENERAL OBLIGATION BONDS, REVENUE BONDS,
MEDIUM-TERM FINANCING, CAPITAL LEASES AND
SPECIAL ASSESSMENT BONDS

* - Type

- 1 - General Obligation Bonds
- 2 - G.O. Revenue Supported Bonds
- 3 - G.O. Special Assessment Bonds
- 4 - Revenue Bonds
- 5 - Medium-Term Financing

- 6 - Medium-Term Financing - Lease Purchase
- 7 - Capital Leases
- 8 - Special Assessment Bonds
- 9 - Mortgages
- 10 - Other (Specify Type)
- 11 - Proposed (Specify Type)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
NAME OF BOND OR LOAN List and Subtotal By Fund	*	TERM	ORIGINAL AMOUNT OF ISSUE	ISSUE DATE	FINAL PAYMENT DATE	INTEREST RATE	BEGINNING OUTSTANDING BALANCE 7/1/2024 <i>25</i>	INTEREST PAYABLE	PRINCIPAL PAYABLE	(9)+(10) TOTAL
FUND: Debt Service							\$	\$	\$	\$
2021A Series Refunding	2	11 YRS	\$ 65,760,000	4/2021	7/2032	4.91% Avg.	\$ 65,760,000	\$ 2,331,900	\$ 5,750,000	\$ 8,081,900
							\$	\$	\$	\$
							\$	\$	\$	\$
							\$	\$	\$	\$
							\$	\$	\$	\$
							\$	\$	\$	\$
							\$	\$	\$	\$
							\$	\$	\$	\$
							\$	\$	\$	\$
							\$	\$	\$	\$
							\$	\$	\$	\$
							\$	\$	\$	\$
							\$	\$	\$	\$
TOTAL ALL DEBT SERVICE			\$ 65,760,000				\$ 65,760,000	\$ 2,331,900	\$ 5,750,000	\$ 8,081,900

SCHEDULE C-1 - INDEBTEDNESS
Budget Fiscal Year 2025-2026

Reno-Sparks Convention & Visitors Authority

Handwritten marks: a red 'X' and a red checkmark.

Transfer Schedule for Fiscal Year 2025-2026

TRANSFERS IN				TRANSFERS OUT		
FUND TYPE	FROM FUND	PAGE	AMOUNT	TO FUND	PAGE	AMOUNT
GENERAL FUND				Capital Projects	11 12	4,205,000
				Debt Service	11 42	5,281,900
SUBTOTAL			-			9,486,900
SPECIAL REVENUE FUNDS						
SUBTOTAL			-			-

Transfer Schedule for Fiscal Year 2025-2026

TRANSFERS IN						
FUND TYPE	FROM FUND	PAGE	AMOUNT	TO FUND	PAGE	AMOUNT
CAPITAL PROJECTS FUND	General	12 13	4,205,000			
SUBTOTAL			4,205,000			-
EXPENDABLE TRUST FUNDS						
SUBTOTAL			-			-
DEBT SERVICE	General	13 14	5,281,900			
SUBTOTAL			5,281,900			-

Reno-Sparks Convention & Visitors Authority
SCHEDULE T - TRANSFER RECONCILIATION

Transfer Schedule for Fiscal Year 2025-2026

TRANSFERS IN				TRANSFERS OUT		
FUND TYPE	FROM FUND	PAGE	AMOUNT	TO FUND	PAGE	AMOUNT
ENTERPRISE FUNDS						
SUBTOTAL			-			-
INTERNAL SERVICE						
SUBTOTAL			-			-
RESIDUAL EQUITY TRANSFERS						
SUBTOTAL			-			-
TOTAL TRANSFERS			9,486,900			9,486,900

Reno-Sparks Convention & Visitors Authority
SCHEDULE T - TRANSFER RECONCILIATION

SCHEDULE OF EXISTING CONTRACTS
Budget Year 2025-2026

Local Government: Reno-Sparks Convention & Visitors Authority

Contact: Robert Chisel

E-mail Address: rchisel@visitrenotahoe.com

Daytime Telephone: (775) 827-7627

Total Number of Existing Contracts: 14

Line	Vendor	Effective Date of Contract	Termination Date of Contract	Proposed Expenditure FY 2025-26	Proposed Expenditure FY 2026-27	Reason or need for contract:
1	Aramark	6/2/2022	6/1/2029	54,000	54,000	Catering and Concessions Management
2	ASC	1/1/2019	Rev'd annually	6,100	6,100	Workers Compensation
3	Decker Royal	7/1/2021	6/3/2022	115,000	115,000	Public Relations Agency
4	Dickinson Wright	7/31/2015	Rev'd Every 3yrs.	96,000	96,000	Legal Representation
5	JNA Consulting Group	7/1/2025	6/30/2026	15,000	15,000	Bond Advisors
7	KPS3	7/1/2025	6/30/2028	311,000	311,000	Marketing - Website Design
8	LP Insurance Services	10/1/2017	Rev'd annually	42,000	42,000	Health Insurance Broker
9	Miles Partnership	7/1/2026	6/30/2028	786,000	786,000	Marketing Agency
10	Ogletree Deakins	7/31/2015	Rev'd Every 3yrs.	24,000	24,000	Legal Representation
12	Paycom	11/15/2017	Rev'd annually	30,000	30,000	Payroll Processing
13	Ray Morgan	10/1/2022	9/30/2027	36,000	50,000	Copier Rental
14	Roter Investments	11/1/2023	10/31/2028	284,468	284,468	Office Rental
Total Proposed Expenditures				1,813,728	1,827,728	

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Schedule 31

REVIEW AND APPROVAL OF MINUTES

APRIL 29, 2025

COMMITTEE ON LOCAL GOVERNMENT FINANCE

MEETING MINUTES

Nevada Department of Taxation
9850 Double R Blvd.
Reno, Nevada 89521
Also via Zoom
April 29, 2025, 9:30 a.m.

COMMITTEE MEMBERS PRESENT:

Marvin Leavitt, Chair
Tom Ciesynski
Josh Foli
Maria Gamboa
Martin Johnson
Paul Johnson
Gina Rackley
Jeffrey Share
Abigail Yacoben

MEMBERS ABSENT:

Jim McIntosh
Felicia O'Carroll

1. ROLL CALL AND OPENING REMARKS.

Chairman Leavitt opened the meeting at 9:36 a.m. Chali Spurlock with the Department took roll call.

Chairman Leavitt noted that Agenda Item 3(a) regarding the Incline Village General Improvement District (IVGID) would be moved and heard after Agenda Item 3(d).

2. PUBLIC COMMENT.

Lynette Cardinale expressed support for the Department to place IVGID on Fiscal Watch.

Judith Miller stated her belief that IVGID has misused public funds and assessed improper fees, which are more akin to a tax. She requested that CLGF conduct hearings to determine that a severe financial emergency exists and end the improper facility fee.

Aaron Katz stated his belief that IVGID is not in compliance with the NRS and NAC, and questioned CLGF's purpose regarding these concerns.

Frank Wright expressed concerns about not receiving requested public records from IVGID, the status of IVGID's forensic audit and the Department's extensions given to IVGID. He also stated his, as support for the Department to place IVGID on Fiscal Watch.

Cliff Dobler spoke regarding his concerns with the financial circumstances of IVGID and his belief regarding IVGID's misuse of funds and donations.

Megan Barth expressed concerns regarding IVGID's demand for additional fees, claiming IVGID does not know how much money it has on the books. She also commented on IVGID's auditors and their inability to issue their opinions on fiscal years '22-'23 and '23-'24.

3. FOR POSSIBLE ACTION: FINANCIAL CONDITION REPORTS BY THE DEPARTMENT AND THE LOCAL GOVERNMENT ENTITIES; CONSIDERATION AND POSSIBLE ADOPTION OF RECOMMENDATIONS AND ORDERS:

(b) Baker Water and Sewer General Improvement District

- **Discussion and consideration of District's request for waiver of the audit required pursuant to NRS 354.624 due to annual expenditures in excess of \$300,000 pursuant to NRS 354.475.**

Kelly Langley, Local Government Finance Supervisor introduced Lynn Lukacs, Budget Analyst with the Department. Ms. Lukacs spoke regarding the exemptions granted to the Baker Water and Sewer General Improvement District ("District"). Ms. Lukacs confirmed that the Department's review of the District's Fiscal Year (FY) 24 financial statements revealed expenditures totaling \$376,340, which exceeds the \$300,000 statutory limit for exemption. Therefore, Ms. Lukacs stated that a FY 24 audit would be required.

Terry Steadman and Rowena Leonard appeared via teleconference on behalf of the District and stated that the District's plant is failing and in need of repairs to bring the infrastructure up to date to comply with the safe water drinking act and the Nevada Bureau of Water pollution control.

Chairman Leavitt directed the District to file the additional reports and documents given that the District's expenditures had exceeded the statutory threshold for an exemption from audit.

Terry Steadman appearing on behalf of the District confirmed that the District would review financial options discussed in obtaining funding to secure the audit.

Mark Paris from the District's accounting organization asked for clarification regarding the FY 24 Audit. The District received a letter of exemption for the FY 24 Audit and Mr. Paris sought confirmation whether the letter of exemption was valid. Chairman Leavitt confirmed that the exemption letter states that it's conditioned upon the District not exceeding \$300,000.00. If it exceeds the \$300,000.00, the exemption letter is not in effect. Chairman Leavitt noted that the Committee on Local Government Finance cannot grant an extension in violation of the statutory provisions.

(c) Winnemucca Convention and Visitors Authority

- **Discussion of Authority's FY 24 audit findings, including its failure to provide timely a second extension request to provide its audit pursuant to NRS 354.624(1).**

Keri Gransbery, Budget Analyst with the Department spoke regarding the FY '23-'24 Audit findings as well as the failure to provide a timely second extension request.

Kendall Swenson and Brian Stone appeared on behalf of Winnemucca Convention and Visitors Authority ("Authority"). Mr. Swenson stated that he was previously told that there were no extensions after the first one. When he found out that he could file for another extension, he sent the documents requesting a second extension. Mr. Swenson stated his belief that the audit would be available by February 26, 2025. He had 2 copies of the audit hand-delivered to the Department. Mr. Swenson agreed to provide timely responses to requests going forward. Mr. Swenson confirmed that the Authority's FY '25-'26 budget was filed timely and reflected the audit report.

(d) Reno/Sparks Convention & Visitors Authority

- **Discussion and consideration of Authority's request for extension of the FY 24 annual audit required pursuant to NRS 354.624(1)**

Kelly Langley introduced Kellie Grahmann, Budget Analyst with the Department. Ms. Grahmann stated that it is her understanding that the Department will not be receiving the Reno/Sparks Convention & Visitors Authority's ("RSCVA") FY 24 Audit until June 25, 2025. The Department received the RSCVA's second extension request on January 30, 2025.

Ms. Grahmann confirmed that the Department could not grant the extension at that time due to questions that the Department had regarding the extension letter, and the Department received a final extension letter on April 16, 2025.

Courtney Jaeger appearing on behalf of the RSCVA spoke regarding the extension requests. Ms. Jaeger stated that the employee responsible for overseeing the evaluation was suspended and subsequently resigned following violations. Following the employee's departure, the RSCVA discovered that the necessary work had not been completed. However, the RSCVA delivered its FY 26 tentative budget to the Department of Taxation in a timely manner.

Chairman Leavitt emphasized RSCVA's multiple extension requests with the latest request submitted just short of a year after the last fiscal year closed. He stated he would not be in favor of approving the extension request but would instead recommend that RSCVA be put in violation.

In response to questions from Kelly Langley, Courtney Jaeger confirmed that the RSCVA is confident in the numbers submitted in its tentative budget.

Member Johnson commented that he would like the Chief Executive Officer to be in attendance for future Committee on Local Government Finance meetings.

(a) Incline Village General Improvement District (IVGID)

- **Department update regarding IVGID's timing of FY 24 audit, and the fifth request for extension pursuant to NRS 354.624(1).**
- **Discussion of IVGID Subcommittee's findings related to IVGID's financial circumstances.**
- **Discussion and consideration regarding potential Fiscal Watch for IVGID pursuant to NRS 354.675.**
- **Any other actions deemed necessary by the Committee pursuant to NRS Chapter 354.**

Kellie Grahmann, Budget Analyst with the Department addressed IVGID's fourth and fifth extension requests to submit its FY 24 Audit. She confirmed that the Department has been meeting with IVGID weekly, and the Department has received IVGID's FY 26 tentative budget as required by NRS.

Jessica O'Connell, Robert Harrison, Makella Bunkie and Noemi Baker appeared on behalf of IVGID. Ms. O'Connell reported that IVGID had been searching for a new CPA Firm to engage for audits and anticipated that IVGID would receive draft financial statements within two to three weeks.

Chairman Leavitt stated that Fiscal Watch is not necessarily a punishment but a means for accountability. He further stated that the Committee would be remiss if IVGID did not go on Fiscal Watch because of IVGID's recent history. Member Rackley echoed the Chairman's statements. She noted that the weekly check-ins have been beneficial to IVGID and the Committee.

Robert Harrison from IVGID stated that IVGID isn't hiding any public records, and there has been no fraud discovered.

Member Ciesynski moved to put IVGID on Fiscal Watch and grant the fifth extension for the audit. Member Paul Johnson seconded the motion. Motion passed unanimously.

4. BRIEFING BETWEEN THE COMMITTEE ON LOCAL GOVERNMENT FINANCE AND LOCAL DEPARTMENT'S LOCAL GOVERNMENT FINANCE STAFF.

Kelly Langley gave an overview of the Audit Summaries Report.

5. **FOR POSSIBLE ACTION: REVIEW AND APPROVAL OF MINUTES:**

(a) CLGF Meeting – January 22, 2025

Member Rackley moved to approve the Minutes from January 22, 2025 Meeting as presented. Member Marty Johnson seconded the motion. Motion passed unanimously.

(b) CLGF IVGID Subcommittee Meeting – April 4, 2025

Member Share moved to approve the Minutes from the Subcommittee Meeting on April 4, 2025. Member Foli seconded the motion. Motion passed unanimously.

6. **FOR POSSIBLE ACTION: SCHEDULE DATE AND REVIEW AGENDA TOPICS FOR THE NEXT MEETING.**

Department staff recommended scheduling the next CLGF meeting date for some time in the middle of July or the first of August.

Chairman Leavitt would like discussions and recommendations regarding audit extension requests put on the next agenda. He would also like an update on IVGID.

Chairman Leavitt requested that a Legislative Update be provided at the next meeting.

7. **PUBLIC COMMENT.**

Frank Wright spoke regarding IVGID'S finances and the recreation tax.

Judith Miller spoke regarding the facility fee and requested that the Committee look into it.

Aaron Katz requested that the Committee appoint an Auditor, and he stated his belief that IVGID is in a severe financial emergency.

Jeff Church spoke regarding the Reno Improvement District and Budget reporting responsibilities.

Cliff Dobler stated that IVGID spent \$400,000 to do a master plan for utilities, water and sewer. He also stated his belief that IVGID has bad management.

8. **FOR POSSIBLE ACTION: ADJOURNMENT.**

Meeting adjourned at 11:51 a.m.

**Attachment A -
April 29, 2025
Submitted Public Comment**

Like many of you, I have had a long and fulfilling career in public service. But I never encountered a public agency in such disarray or a fee like the one IVGID imposes, its facility fee.

I'm not sure what findings will be presented by the subcommittee, but I hope you will consider what I and others believe is the underlying cause of the GID's operational and financial problems and a misuse of public funds.

The Department of Taxation exists to provide "supervision and control" of the revenue system of public agencies in this state. This Committee is charged with oversight of local governments' revenues, including GID's.

I think you all now understand that IVGID, because of this unlimited fee, has acquired more assets and business-like enterprises than it is able to properly manage. As these neglected facilities age, costs for maintenance and operations increase, and huge uncommitted fund balances, accumulated from years of over-budgeting, dwindle. Now the fee must increase significantly. For FY 26 the proposed fee is \$1250. That's a 50% increase over the all-time high of \$830 and nearly tripling last year's \$450 fee.

I hope you have seen my chart that shows how the proposed fee is much more than the property tax for many of the older, smaller condos in the town center that house our workforce.

Rather than ad-valorem taxes, in addition to subsidizing operations, and paying for maintenance, the facility fee built the pool, the restrooms and the food service facilities on the beaches. This summer a 400-unit hotel will be sending tens of thousands of guests to use the IVGID beaches. Yet, incredibly, the hotel only pays the same facility fee as that town center condo.

So not only is this imposed non-exchange transaction more like a tax, its lack of proportionality to the benefit derived is evident.

Because the fee benefits many of the wealthier members of the community, few will speak out against it. My belief that public recreation should place a priority on serving those least able to afford private offerings, compels me to try and end this unfair burden on our lower income households. Please consider a recommendation to hold hearings to determine that a severe financial emergency does exist and end the improper facility fee. Help the District find ways to become financially stable and better serve those most in need of public recreation.

Respectfully submitted,

Judith Miller

The Department of Taxation has determined that the BID is a local government per NRS. The BID continues to operate as an alleged non-profit 501c6.

“At a minimum, the Reno BID/DMO is subject to the jurisdiction of the Department pursuant to the Local Government Budget and Finance Act, pursuant to NRS 354.474(1). For instance, the creation of a special assessment/local improvement district pursuant to NRS 271 would appear to trigger budget reporting responsibilities for contracts associated with the expenditure of the special assessment levies pursuant to NRS 354.5965.”

Likewise the NCOE, PERS, have weighed in with opinions that detail the BIDs unique position.

The BID lists no audit and the BID has refused to submit said documents to me.

The BID's last IRS 990 is from 2022 with a note of 'extended to May, 2024' which has come and gone.

The BID is listed under the City of Reno CAFR under Special Assessments.

I ask the CLGF to look into the Reno Downtown BID aka Downtown Reno Partnership to be sure that it and or the City of Reno complies with all CLGF requirements.

From their 2021 IRS 990:

Form 990, Part VI, Line 19 - Governing Documents
Disclosure Explanation
DOWNTOWN RENO BUSINESS IMPROVEMENT
DISTRICT'S GOVERNING DOCUMENTS, CONFLICT
OF INTEREST POLICY, FINANCIAL STATEMENTS AND
FORM 990 ARE MADE AVAILABLE TO
THE PUBLIC UPON REQUEST.

Did the organization have members or stockholders?
(NO)

As most are aware, to be a 501c6, it requires members as
well as a common business interest.

Further, the so called "fees" are broadly based on property
value and not a specific derived benefit as required by
case law.

Jeff Church
RenoTaxRevolt.com
775 544 7366

EXTENDED TO MAY 15, 2024

Form **990****Return of Organization Exempt From Income Tax**

OMB No. 1545-0047

2022Department of the Treasury
Internal Revenue ServiceUnder section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
Do not enter social security numbers on this form as it may be made public.
Go to www.irs.gov/Form990 for instructions and the latest information.Open to Public
Inspection**A** For the 2022 calendar year, or tax year beginning JUL 1, 2022 and ending JUN 30, 2023**B** Check if applicable:

- ☐ Address change
☐ Name change
☐ Initial return
☐ Final return/terminated
☐ Amended return
☐ Application pending

C Name of organization**DOWNTOWN RENO BUSINESS IMPROVEMENT DISTRICT**Doing business as **DOWNTOWN RENO PARTNERSHIP**

Number and street (or P.O. box if mail is not delivered to street address)

40 E. 4TH STREET, PAVILION A

City or town, state or province, country, and ZIP or foreign postal code

RENO, NV 89501**F** Name and address of principal officer: **CHRIS SHANKS****SAME AS C ABOVE****D** Employer identification number**** - ***7077****E** Telephone number**775-432-0772****G** Gross receipts \$ **3,261,713.****H(a)** Is this a group returnfor subordinates? ☐ Yes ☒ No**H(b)** Are all subordinates included? ☐ Yes ☐ No

If "No," attach a list. See instructions

H(c) Group exemption number**I** Tax-exempt status: ☐ 501(c)(3) ☒ 501(c)(**6**) (insert no.) ☐ 4947(a)(1) or ☐ 527**J** Website: **DOWNTOWNRENO.ORG****K** Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other**L** Year of formation: **2017** **M** State of legal domicile: **NV****Part I Summary**

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: TO IMPROVE AND PROMOTE THE ECONOMIC WELL-BEING OF DOWNTOWN RENO BY MANAGING AND IMPLEMENTING		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	13
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	13
	5	Total number of individuals employed in calendar year 2022 (Part V, line 2a)	5	8
	6	Total number of volunteers (estimate if necessary)	6	0
	7 a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b	Net unrelated business taxable income from Form 990-T, Part I, line 11	7b	0.	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	100,625.	178,382.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	2,892,904.	3,078,654.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,097.	4,677.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	0.	0.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	2,994,626.	3,261,713.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	455,390.	452,059.
	b	Total fundraising expenses (Part IX, column (D), line 25)	0.	0.
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	0.	0.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	2,709,739.	2,770,935.
Net Assets or Fund Balances	19	Revenue less expenses. Subtract line 18 from line 12	3,165,129.	3,222,994.
	20	Total assets (Part X, line 16)	-170,503.	38,719.
	21	Total liabilities (Part X, line 26)	Beginning of Current Year	End of Year
	22	Net assets or fund balances. Subtract line 21 from line 20	993,640.	1,070,646.
		322,673.	360,960.	
		670,967.	709,686.	

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer		Date	
	MIKE ROSSMAN, TREASURER Type or print name and title			
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check if self-employed <input type="checkbox"/> PTIN
	MICHAEL E. DAVIS			P00626991
Preparer Use Only	Firm's name	Firm's EIN		
	BARNARD, VOGLER & CO., CPA'S	** - ***8801		
	Firm's address	Phone no. (775) 786-6141		
	100 W LIBERTY STREET, SUITE 1100			
	RENO, NV 89501-1959			

May the IRS discuss this return with the preparer shown above? See instructions ☒ Yes ☐ No

232001 12-13-22 LHA For Paperwork Reduction Act Notice, see the separate instructions.

Form **990** (2022)**SEE SCHEDULE O FOR ORGANIZATION MISSION STATEMENT CONTINUATION**

DOWNTOWN RENO BUSINESS IMPROVEMENT

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Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III ☐

1 Briefly describe the organization's mission:
**TO IMPROVE AND PROMOTE THE ECONOMIC WELL-BEING OF DOWNTOWN RENO BY
 MANAGING AND IMPLEMENTING PROGRAMS, ACTIVITIES AND CONTRACTS.**

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No
 If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No
 If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 1,930,089. including grants of \$) (Revenue \$)
**SAFETY AND SECURITY - SECURITY PROGRAMS THAT SUPPORT POLICE AND
 PROPERTY OWNER CRIME PREVENTION EFFORTS AND HOMELESS OUTREACH.**

4b (Code:) (Expenses \$ 705,115. including grants of \$) (Revenue \$)
**MAINTENANCE AND CLEANING - MAINTENANCE SERVICES TO INCREASE THE
 FREQUENCY OF LITTER, DEBRIS, AND GRAFFITI REMOVAL.**

4c (Code:) (Expenses \$ 243,830. including grants of \$) (Revenue \$)
**MARKETING AND ECONOMIC DEVELOPMENT - TO CREATE AWARENESS AND DRIVE MORE
 VISITORS TO DOWNTOWN RENO AND TO ATTRACT NEW BUSINESSES, INVESTORS AND
 DEVELOPERS TO THE DOWNTOWN RENO AREA.**

4d Other program services (Describe on Schedule O.)
 (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 2,879,034.

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Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A		X
2 Is the organization required to complete Schedule B, Schedule of Contributors? See instructions	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II		
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Rev. Proc. 98-19? If "Yes," complete Schedule C, Part III		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		X
10 Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? If "Yes," complete Schedule D, Part V		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X, as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	X	
b Did the organization report an amount for investments - other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII		X
c Did the organization report an amount for investments - program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII		X
d Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX		X
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I. See instructions		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		X
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H		X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II		X

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Part IV Checklist of Required Schedules (continued)

	Yes	No
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I		
26 Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part II		X
27 Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? If "Yes," complete Schedule L, Part III		X
28 Was the organization a party to a business transaction with one of the following parties (see the Schedule L, Part IV, instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? If "Yes," complete Schedule L, Part IV		X
b A family member of any individual described in line 28a? If "Yes," complete Schedule L, Part IV		X
c A 35% controlled entity of one or more individuals and/or organizations described in line 28a or 28b? If "Yes," complete Schedule L, Part IV		X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1		X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X
38 Did the organization complete Schedule O and provide explanations on Schedule O for Part VI, lines 11b and 19?	X	

Note: All Form 990 filers are required to complete Schedule O

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

	Yes	No
1a Enter the number reported in box 3 of Form 1096. Enter -0- if not applicable		
b Enter the number of Forms W-2G included on line 1a. Enter -0- if not applicable		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		

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Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

		Yes	No
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a 8		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	X	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		X
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O	3b		
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		X
b If "Yes," enter the name of the foreign country See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		X
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a		X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a		
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		
d If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8		
9 Sponsoring organizations maintaining donor advised funds.			
a Did the sponsoring organization make any taxable distributions under section 4966?	9a		
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b		
10 Section 501(c)(7) organizations. Enter:			
a Initiation fees and capital contributions included on Part VIII, line 12	10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11 Section 501(c)(12) organizations. Enter:			
a Gross income from members or shareholders	11a		
b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state? Note: See the instructions for additional information the organization must report on Schedule O.	13a		
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b		
c Enter the amount of reserves on hand	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a		X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O	14b		
15 Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see the instructions and file Form 4720, Schedule N.	15		X
16 Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O.	16		X
17 Section 501(c)(21) organizations. Did the trust, or any disqualified or other person engage in any activities that would result in the imposition of an excise tax under section 4951, 4952 or 4953? If "Yes," complete Form 6069.	17		

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Part VI Governance, Management, and Disclosure. For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

☒**Section A. Governing Body and Management**

		Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	1a 13		
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.			
b Enter the number of voting members included on line 1a, above, who are independent	1b 13		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person?	3		X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5		X
6 Did the organization have members or stockholders?	6		X
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	X	
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a The governing body?	8a	X	
b Each committee with authority to act on behalf of the governing body?	8b	X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O	9		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Did the organization have local chapters, branches, or affiliates?	10a	X
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	X
b Describe on Schedule O the process, if any, used by the organization to review this Form 990.		
12a Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	X
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe on Schedule O how this was done	12c	X
13 Did the organization have a written whistleblower policy?	13	X
14 Did the organization have a written document retention and destruction policy?	14	X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official	15a	X
b Other officers or key employees of the organization	15b	X
If "Yes" to line 15a or 15b, describe the process on Schedule O. See instructions.		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	X
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed NONE

18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain on Schedule O)

19 Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records
DOWNTOWN RENO BUSINESS IMPROVEMENT DISTRICT - 775-432-0772
40 E. 4TH STREET, PAVILION A, RENO, NV 89501

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Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response or note to any line in this Part VII ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

- List all of the organization's **current** key employees, if any. See the instructions for definition of "key employee."

- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (box 5 of Form W-2, box 6 of Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than \$100,000 from the organization and any related organizations.

- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

See the instructions for the order in which to list the persons above.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) CHRIS SHANKS CHAIR	5.00	X		X				0.	0.	0.
(2) TONY MARINI VICE CHAIR	2.00	X		X				0.	0.	0.
(3) JIM GALLAWAY SECRETARY	2.00	X		X				0.	0.	0.
(4) MIKE ROSSMAN TREASURER	5.00	X		X				0.	0.	0.
(5) PAR TOLLES PAST CHAIR	1.00	X						0.	0.	0.
(6) JONATHAN BOULWARE DIRECTOR	1.00	X						0.	0.	0.
(7) DANIEL BROWN DIRECTOR	1.00	X						0.	0.	0.
(8) SHARON CHAMBERLAIN DIRECTOR	1.00	X						0.	0.	0.
(9) TIFFANY COURY DIRECTOR	1.00	X						0.	0.	0.
(10) ERIC EDELSTEIN DIRECTOR	1.00	X						0.	0.	0.
(11) BRITTON GRIFFITH DIRECTOR	1.00	X						0.	0.	0.
(12) ALEXIS HILL DIRECTOR	1.00	X						0.	0.	0.
(13) ERIC LERUDE DIRECTOR	1.00	X						0.	0.	0.
(14) TROY MILLER DIRECTOR	1.00	X						0.	0.	0.
(15) STEVEN POLIKALAS DIRECTOR	1.00	X						0.	0.	0.
(16) KAYA STANLEY DIRECTOR	1.00	X						0.	0.	0.
(17) DERRICK GLUM DIRECTOR	1.00	X						0.	0.	0.

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Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/ 1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/ 1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) MARK REECE DIRECTOR	1.00	X						0.	0.	0.
(19) JEFF SIRI DIRECTOR	1.00	X						0.	0.	0.
(20) ALEXANDER STETTINSKI FORMER EXECUTIVE DIRECTOR	40.00			X				59,268.	0.	5,294.
(21) NEOMA JARDON EXECUTIVE DIRECTOR	40.00			X				64,570.	0.	808.
1b Subtotal								123,838.	0.	6,102.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								123,838.	0.	6,102.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization 0

	Yes	No
3 Did the organization list any former officer, director, trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
STREETPLUS COMPANY LLC, 354 36TH STREET SUITE C312, BROOKLYN, NY 11232	AMBASSADOR SERVICES	1,346,430.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization 1

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Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
Contributions, Gifts, Grants and Other Similar Amounts	1 a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e	45,550.			
	f	All other contributions, gifts, grants, and similar amounts not included above ...	1f	132,832.			
	g	Noncash contributions included in lines 1a-1f	1g	\$			
	h	Total. Add lines 1a-1f		178,382.			
Program Service Revenue	2 a	DISTRICT COLLECTIONS	Business Code	813910	1,845,528.	1,845,528.	
	b	SUPPLEMENTAL POLICE SE	813910	810,000.	810,000.		
	c	SUPPLEMENTAL MAINTENAN	813910	403,174.	403,174.		
	d	AMBASSADOR SERVICES	813910	19,952.	19,952.		
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f		3,078,654.			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		4,677.			4,677.
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
	6 a	Gross rents	6a				
	b	Less: rental expenses ...	6b				
	c	Rental income or (loss)	6c				
	d	Net rental income or (loss)					
	7 a	Gross amount from sales of assets other than inventory	7a				
	b	Less: cost or other basis and sales expenses	7b				
	c	Gain or (loss)	7c				
	d	Net gain or (loss)					
	8 a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	8a				
	b	Less: direct expenses	8b				
	c	Net income or (loss) from fundraising events					
	9 a	Gross income from gaming activities. See Part IV, line 19	9a				
	b	Less: direct expenses	9b				
	c	Net income or (loss) from gaming activities					
10 a	Gross sales of inventory, less returns and allowances	10a					
b	Less: cost of goods sold	10b					
c	Net income or (loss) from sales of inventory						
Miscellaneous Revenue	11 a		Business Code				
	b						
	c						
	d	All other revenue					
	e	Total. Add lines 11a-11d					
12	Total revenue. See instructions		3,261,713.	3,078,654.	0.	4,677.	

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DOWNTOWN RENO BUSINESS IMPROVEMENT

Form 990 (2022)

DISTRICT

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Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	226,195.	113,097.	113,098.	
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	171,413.	92,289.	79,124.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	16,157.	9,420.	6,737.	
10 Payroll taxes	38,294.	20,901.	17,393.	
11 Fees for services (nonemployees):				
a Management				
b Legal	7,795.		7,795.	
c Accounting	18,000.		18,000.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Sch O.)	11,037.		11,037.	
12 Advertising and promotion	18,890.	18,890.		
13 Office expenses	28,121.		28,121.	
14 Information technology	7,795.		7,795.	
15 Royalties				
16 Occupancy	21,651.	10,825.	10,826.	
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	10,528.		10,528.	
20 Interest	4,177.	4,177.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	15,386.	11,539.	3,847.	
23 Insurance	5,945.		5,945.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount, list line 24e expenses on Schedule O.)				
a CONTRACTED SERVICES	2,580,586.	2,571,086.	9,500.	
b DOWNTOWN ENHANCEMENTS	26,810.	26,810.		
c STRATEGIC PLANNING	10,587.		10,587.	
d REPAIRS	3,627.		3,627.	
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	3,222,994.	2,879,034.	343,960.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

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Form 990 (2022)

**DOWNTOWN RENO BUSINESS IMPROVEMENT
DISTRICT**

Form 990 (2022)

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Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	371,638.	1	254,805.
	2 Savings and temporary cash investments	456,945.	2	461,622.
	3 Pledges and grants receivable, net	400.	3	
	4 Accounts receivable, net	129,115.	4	154,000.
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	8,974.	9	18,462.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	280,706.		
	b Less: accumulated depreciation	144,010.		
		26,568.	10c	136,696.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
15 Other assets. See Part IV, line 11	0.	15	45,061.	
16 Total assets. Add lines 1 through 15 (must equal line 33)	993,640.	16	1,070,646.	
Liabilities	17 Accounts payable and accrued expenses	135,950.	17	157,103.
	18 Grants payable		18	
	19 Deferred revenue	25,151.	19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	161,572.	25	203,857.
	26 Total liabilities. Add lines 17 through 25	322,673.	26	360,960.
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.			
	27 Net assets without donor restrictions	660,967.	27	699,686.
	28 Net assets with donor restrictions	10,000.	28	10,000.
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.			
	29 Capital stock or trust principal, or current funds		29	
	30 Paid-in or capital surplus, or land, building, or equipment fund		30	
	31 Retained earnings, endowment, accumulated income, or other funds		31	
	32 Total net assets or fund balances	670,967.	32	709,686.
	33 Total liabilities and net assets/fund balances	993,640.	33	1,070,646.

Form **990** (2022)

DOWNTOWN RENO BUSINESS IMPROVEMENT

Form 990 (2022)

DISTRICT

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Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	3,261,713.
2	Total expenses (must equal Part IX, column (A), line 25)	2	3,222,994.
3	Revenue less expenses. Subtract line 2 from line 1	3	38,719.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	670,967.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	709,686.

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☒

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2a	X
b Were the organization's financial statements audited by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2b	X
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? _____ If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.	2c	X
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Uniform Guidance, 2 C.F.R. Part 200, Subpart F? _____	3a	X
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits _____	3b	

Form 990 (2022)

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes" on Form 990,
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2022

Open to Public
Inspection

Name of the organization **DOWNTOWN RENO BUSINESS IMPROVEMENT DISTRICT**

Employer identification number
****-***7077**

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).
☐ Preservation of land for public use (for example, recreation or education) ☐ Preservation of a historically important land area
☐ Protection of natural habitat ☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after July 25, 2006, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year

4 Number of states where property subject to conservation easement is located

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1 \$

(ii) Assets included in Form 990, Part X \$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items:

a Revenue included on Form 990, Part VIII, line 1 \$

b Assets included in Form 990, Part X \$

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2022

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DOWNTOWN RENO BUSINESS IMPROVEMENT

Schedule D (Form 990) 2022

DISTRICT

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Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply):

a ☐ Public exhibitiond ☐ Loan or exchange programb ☐ Scholarly researche ☐ Other _____c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets

to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII ☐

Part V Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment _____%

b Permanent endowment _____%

c Term endowment _____%

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) Unrelated organizations

(ii) Related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements		76,844.	25,412.	51,432.
d Equipment		196,001.	116,502.	79,499.
e Other		7,861.	2,096.	5,765.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				136,696.

Schedule D (Form 990) 2022

DOWNTOWN RENO BUSINESS IMPROVEMENT

Schedule D (Form 990) 2022

DISTRICT

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Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.)		

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.)		

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.)	

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) EIDL LOAN	158,057.
(3) OPERATING LEASE LIABILITY	45,800.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.)	203,857.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII. ☐

Schedule D (Form 990) 2022

Part XI	Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.
----------------	--

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a:			1	3,261,713.
1	Total revenue, gains, and other support per audited financial statements			
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains (losses) on investments	2a		
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines 2a through 2d	2e	0.	
3	Subtract line 2e from line 1	3	3,261,713.	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b	4c	0.	
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	3,261,713.	

Part XII	Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.
----------	---

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.				
1	Total expenses and losses per audited financial statements		1	3,222,994.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines 2a through 2d		2e	0.
3	Subtract line 2e from line 1		3	3,222,994.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b		4c	0.
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)		5	3,222,994.

Part XIII	Supplemental Information.
------------------	----------------------------------

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees
Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
Attach to Form 990.
Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2022

Open to Public
Inspection

Name of the organization

DOWNTOWN RENO BUSINESS IMPROVEMENT
DISTRICT

Employer identification number

-*7077

Part I Questions Regarding Compensation

	Yes	No								
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items. <table border="0"><tr><td><input type="checkbox"/> First-class or charter travel</td><td><input type="checkbox"/> Housing allowance or residence for personal use</td></tr><tr><td><input type="checkbox"/> Travel for companions</td><td><input type="checkbox"/> Payments for business use of personal residence</td></tr><tr><td><input type="checkbox"/> Tax indemnification and gross-up payments</td><td><input type="checkbox"/> Health or social club dues or initiation fees</td></tr><tr><td><input type="checkbox"/> Discretionary spending account</td><td><input type="checkbox"/> Personal services (such as maid, chauffeur, chef)</td></tr></table>	<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use	<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence	<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees	<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (such as maid, chauffeur, chef)		
<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use									
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence									
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees									
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (such as maid, chauffeur, chef)									
b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b									
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?	2									
3 Indicate which, if any, of the following the organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III. <table border="0"><tr><td><input checked="" type="checkbox"/> Compensation committee</td><td><input checked="" type="checkbox"/> Written employment contract</td></tr><tr><td><input type="checkbox"/> Independent compensation consultant</td><td><input type="checkbox"/> Compensation survey or study</td></tr><tr><td><input type="checkbox"/> Form 990 of other organizations</td><td><input checked="" type="checkbox"/> Approval by the board or compensation committee</td></tr></table>	<input checked="" type="checkbox"/> Compensation committee	<input checked="" type="checkbox"/> Written employment contract	<input type="checkbox"/> Independent compensation consultant	<input type="checkbox"/> Compensation survey or study	<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee				
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<input type="checkbox"/> Independent compensation consultant	<input type="checkbox"/> Compensation survey or study									
<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee									
4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization: a Receive a severance payment or change-of-control payment?	4a	<input checked="" type="checkbox"/>								
b Participate in or receive payment from a supplemental nonqualified retirement plan?	4b	<input checked="" type="checkbox"/>								
c Participate in or receive payment from an equity-based compensation arrangement?	4c	<input checked="" type="checkbox"/>								
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.										
Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.										
5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of: a The organization?	5a									
b Any related organization?	5b									
If "Yes" on line 5a or 5b, describe in Part III.										
6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of: a The organization?	6a									
b Any related organization?	6b									
If "Yes" on line 6a or 6b, describe in Part III.										
7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III	7									
8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8									
9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9									

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2022

Part II	Officers, Directors, Trustees, Key Employees
---------	--

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

[illegible]

Schedule J (Form 990) 2022

Part III	Supplemental Information
-----------------	---------------------------------

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

Attach to Form 990 or Form 990-EZ.

Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2022

Open to Public
Inspection

Name of the organization

DOWNTOWN RENO BUSINESS IMPROVEMENT
DISTRICT

Employer identification number

-*7077

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

PROGRAMS, ACTIVITIES AND CONTRACTS.

FORM 990, PART VI, SECTION A, LINE 7A:

DIRECTORS SHALL BE ELECTED OR APPOINTED BY THE BOARD FROM A SLATE NOMINATED
BY THE EXECUTIVE COMMITTEE, AND THE BOARD MAY PROVIDE THE EXECUTIVE
COMMITTEE WITH ANY GUIDANCE IT MAY HAVE TO FACILITATE THE CONSIDERATION OF
POTENTIAL NEW DIRECTORS.

FORM 990, PART VI, SECTION B, LINE 11B:

MANAGEMENT AND SELECT MEMBERS OF THE BOARD REVIEW FORM 990 PRIOR TO FILING.
THE COMPLETED 990 WILL BE PROVIDED TO ALL MEMBERS OF THE BOARD POST FILING.

FORM 990, PART VI, SECTION B, LINE 15:

THE PERSONNEL COMMITTEE REVIEWS THE EXECUTIVE DIRECTOR ANNUALLY AND
DETERMINES SALARY RAISES AND BONUSES, WHICH ARE DEFINED IN A CONTRACT.

FORM 990, PART VI, SECTION C, LINE 19:

NO DOCUMENTS AVAILABLE TO THE PUBLIC.

FORM 990, PART XII, LINE 2C

THE BOARD OF DIRECTORS IS RESPONSIBLE FOR THE OVERSIGHT OF THE AUDIT.

PUBLIC COMMENT

Re: Providing Public notice document in a timely manner

From Robert W. Harrison <RWH@ivgid.org>

Date Sat 5/24/2025 10:50 AM

To Jessica O'Connell <joc@ivgid.org>

Cc Kellie Grahmann <kgrahmann@tax.state.nv.us>; Kelly S. Langley <klangley@tax.state.nv.us>

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

Jess,

We are okay and within the law. We will be on target for the May 30 meeting and all documents will be produced and published in a timely manner no later than 72 hours before the meeting.

Sorry for the mixup Jessica. Kelly and Kelly, we had an email from Mr. Katz saying we did not have the final 4404 out by 11:30 on Friday. We had a draft available. He informed us he was contacting D of Tax of the violation and requesting a postponement of our meeting. We received clarification from our legal counsel that we are legally fine and not in any violation.

Please disregard Jess's email. Sorry Jess. Thanks for inquiring like I had asked you too. We were able to get legal's review late yesterday clarifying that Mr. Katz was wrong in his legal analysis.

Happy Memorial Day.

Bob

Sent from my iPhone

On May 23, 2025, at 8:32 PM, Jessica O'Connell <joc@ivgid.org> wrote:

CC'ng Bob.

From: Jessica O'Connell

Sent: Friday, May 23, 2025 8:32 PM

To: Kellie Grahmann <kgrahmann@tax.state.nv.us>; Kelly S. Langley <klangley@tax.state.nv.us>

Subject: Providing Public notice document in a timely manner

Importance: High

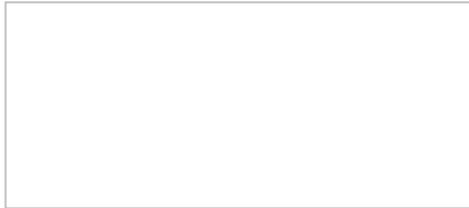
Hi Kellie and Kelly,

We failed to produce the Form 4404 on a timely manner. We have a citizen filing a complaint with DOT. I have the Form 4404 which will most likely need updating on May 30, 2025. What do you suggest our next step be?

Thanks, in advance,

Jess

Jessica O'Connell
Director of Finance
893 Southwood Blvd.
Incline Village, NV 89451
775-886-1012





Re: IVGID's 2025-26 tentative/final budgets - P.S.

From s4s@ix.netcom.com <s4s@ix.netcom.com>

Date Sat 5/24/2025 1:24 AM

To Chali Spurlock <CSpurlock@tax.state.nv.us>

Cc Kelly S. Langley <klangley@tax.state.nv.us>; Tax-Public Information Officer <taxpio@tax.state.nv.us>

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

Hello Ms. Langley -

This is a follow up to my April 24, 2025 e-mail below.

Have you or is it your intent to submit to the IVGID BOT, at least 3 days before its noticed public hearing on its FY 2025/26 final budget (May 30, 2025), either:

1. A written "certificate of compliance" insofar as its FY 2025/26 tentative budget is concerned;
2. A written "notice of lack of compliance" insofar as its FY 2025/26 tentative budget is concerned; and/or, and/or,
3. A written notification that its "submitted (tentative budget) documents fail to comply with law or appropriate regulations?"

Assuming the answer is yes to one or more of the above, can you please provide me with copies? Please consider this request to be one for public records.

Also, I ask you share with Chairperson Leavitt and other honorable members of the CLGF, **now rather than immediately prior to its next scheduled meeting**, the following.

4. IVGID still does not have an auditor for FY 2025/2026. Even though NRS 354.624(3) instructs that "the auditor or firm must be designated, and **notification of the auditor or firm designated must be sent to the Department of Taxation not later than 3 months before the close of the fiscal year for which the audit is to be made.**" Insofar as IVGID is concerned, that due date was March 30, 2025.
5. IVGID still does not have a central services cost allocation plan for FY 2025/26. Even though NAC 354.8668(7) instructs that since IVGID is not "exempt from the requirement to submit a tentative budget to the Department," its central services cost allocation plan "**must be updated annually before: (a) the date on which the local government submits its tentative budget to the Department.**" Insofar as IVGID is concerned, that due date was April 15, 2025.
6. Moreover, the Committee can see that IVGID's FY 2026 tentative budget relies upon \$3.1M of transfers from enterprise funds to IVGID's General Fund. And I was informed by IVGID staff this morning that it is no closer to adopting such a plan today, than it was on April 15, 2025.
7. And the IVGID BOT will not be asked to approve such a plan in compliance with the NRS and NAC **at all**. Notwithstanding I predict its proposed final FY 2026 budget will rely upon transfers

from enterprise funds to IVGID's General Fund.

8. Moreover, the Committee can see that IVGID's FY 2026 tentative budget relies upon increased facility fees. Notwithstanding the IVGID BOT will not be asked to approve such increased fees in compliance with the NRS and NAC **at all**. And I predict its proposed final FY 2026 budget will rely upon those increased facility fees.

9. Which means IVGID will **not** be able to pass a final FY 2026 budget by the statutory due date (June 1, 2025) therefore [see NRS 354.598(2)]. It may attempt to pass such a budget but when it's challenged by myself and others, this Committee will learn why the District's actions are voidable.

Just so we're all on the same page.

10. Moreover, on page 6 of today's Tahoe Daily Tribune, Committee members will see a Notice of Public Hearing has been published insofar as adoption of the District's FY 2026 budget. The Notice states, in part, that the final "budget has been prepared in such detail and **on the appropriate forms as prescribed by the Nevada Department of Taxation** [i.e., form 4404LGF (and that)] copies of said budget **are on file for public inspection** at the (administrative) offices of" IVGID. So this morning I presented myself at the District's admin offices in order to inspect this proposed budget "on the appropriate forms as prescribed by the...Department of Taxation." And **none** was there. Rather a number of spreadsheet work papers which had been prepared as part of the materials given to the BOT on May 14, 2025 were available for inspection.

11. So I asked the receptionist to examine what was represented in the published notice and to provide for my examination what was represented. It was then she retrieved Susan Herron who told me there still is no proposed final budget, let alone one on appropriate forms, for public inspection. Rather, that proposed budget will be included in the Board packet for the BOT's review next Tuesday, May 27, 2025. For these reasons I have e-mailed the IVGID BOT objecting to the published May 30, 2025 hearing going forward. At least insofar as the fiscal year 2025/2026 budget is concerned. Because the public has not had the opportunity to examine it within a reasonable period of time prior to the published May 30, 2025 public hearing. Is this the reason the NRS requires a minimum of two weeks' public notice?

12. Now maybe some Committee members think this lack of notice to the public isn't that important because in most municipalities, local parcel owners or residents have no direct financial stake in budgeted expenditures. But not so in Incline Village. As I and others have shared, a very large percentage of the District's revenues **are not in compliance with law**. I predict staff's proposed final FY 2026 budget will rely upon over \$4M of inappropriate transfers from the District's enterprise funds to its General Fund. And those transfers will be funded by increased water and sewer rates and charges directly paid by local parcel owners, and an invalid special tax against property the product of a series of non-exchange transactions.

13. I also predict that staff will be proposing a 5 year capital improvement plan for BOT approval which admittedly consists of nothing more than \$56M of "wish list" CIPs with no moneys available to pay for them short of increasing the District's invalid facility fees from \$450 per local parcel/dwelling unit, to between \$1,376-2,268 per local parcel/dwelling unit, for each of the next five years. And again these "fees" will be directly paid by local parcel owners.

14. Moreover, when IVGID staff presented the proposed tentative FY 2026 budget, which was never formally approved by the BOT, staff admitted that essentially all of the numbers included in the form 4404LGF were fantasy "placeholders." And not to worry because the BOT would have plenty of time to make modifications as several subsequent "budget workshops" were scheduled.

15. Which means that if a final FY 2026 budget is not approved at the BOT's May 30, 2026 meeting, **which it will not**, according to NRS 354.598(2) staff's phony tentative budget will become the District's final budget by default. So much for protecting the public.

One would think that being on fiscal watch, the District would go out of its way to be absolutely squeaky clean insofar as the NRS/NAC's requirements are concerned. But not so. Because it's not the local government you give it credit for. Even though it hired GM Harrison rather recently because he allegedly had over 30 years of government finance reporting and would be able to immediately hit the road running.

All of this is evidence the District suffers from severe financial emergency, and its BOT is clearly not capable of properly running the District. Therefore if my predictions above turn out to be fact, I ask:

- a) The Executive Director be requested to ask the Committee to initiate hearings to determine the existence of a NRS 354.685 severe financial emergency; and,
- b) The Executive Director be requested to notify the Washoe County Board of Commissioners to initiate public hearings involving IVGID in accordance with NRS 318.515.

Thank you for your cooperation. Aaron Katz

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

From: <s4s@ix.netcom.com>

Sent: Apr 24, 2025 2:29 PM

To: <CSpurlock@tax.state.nv.us>

Cc: <klangle@tax.state.nv.us>

Subject: IVGID's 2025-26 tentative budget

Hello Ms. Spurlock and Ms. Langley -

The purpose of this e-mail is to alert the Dep't that IVGID's tentative budget for 2026 is not in compliance with the NRS and the NAC. Given NRS 354.596(5) instructs that "the Department of Taxation shall examine the submitted documents **for compliance with law and with appropriate regulations** and shall submit to the governing body at least 3 days before the public hearing a written certificate of compliance or a written notice of lack of compliance," for the reasons which follow I ask the Dep't notify IVGID that its "submitted documents fail to comply with law or appropriate regulations." Please consider the following evidence of statutory and/or regulatory non-compliance:

1. Facility Fee revenue is improperly reported under Community Service Fund (page 12, schedule F-1) "operating revenue." GASB statement 9 instructs that only exchange transaction revenue be reported under operating revenue. But IVGID's current and immediate past auditors have both testified that this facility fee is the product of non-exchange transactions. In other words, the payors receive nothing of comparable value in consideration of forced payment. Therefore assuming arguendo it's proper to report facility fee revenue in this fund, it should be reported under "nonoperation revenues." IVGID staff agree with this criticism. Take a look at the asterisk at the bottom of page 14, schedule F-1, of the tentative budget: "Per Board direction, Facility Fees are being reported as Non-Operating revenues, beginning with FY2023-24." But the problem here is that these fees are not being reported as non-operating revenues. As they should.

2. Facility Fee revenue is improperly reported under Beach Fund (page 14, schedule F-1) "operating revenue." For the reasons stated in paragraph 1 above, these fees are not being reported as non-operating revenues. As they should.

3. Is it appropriate for a tentative budget to reflect numbers with no factual basis of support? In other words, throwing a dart against the wall and wherever it lands.... Assuming the answer is no, the Dep't's attention is directed to page 8 of schedule B-11. \$3,100,000 has been

inserted as an alleged central services cost transfer ("expenditure offset") from three enterprise funds: \$1,641,000 from the District's Community Services Fund (see page 13 of schedule F-2), \$110,000 from the District's Beach Fund (see page 15, schedule F-2), and \$1,349,000 from the District's Utility Fund (see page 11, schedule F-2). This number is supported by no facts whatsoever. I can make this observation given NAC 354.865-354.867 mandate that a series of factors be addressed in a local government's updated central services cost allocation plan. But here there is no plan. Because none was approved by the IVGID BOT "under a nonconsent item that (wa)s separately listed on the agenda for a regular meeting of the governing body" [see NRS 354.613(1)(c)] "before (a) the date on which the local government submit(ted) its tentative budget to the Department" [see NAC 354.8668(7)]. In other words, April 15, 2025.

Without an approved plan, the tentative budget's \$3,100,000 central services cost transfer number is the product of nothing more than throwing a dart on the wall. Or probably far more likely, a subsidy for the financial shortfall between budgeted General Fund revenues (see schedule B) and intentional overspending (see page 8, schedule B-10). Having nothing to do with any of the facts set forth in NAC 354.686-354.867 intended to "set...forth the extent to which an equitable distribution of all general, overhead, administrative and similar expenses of the local government among all activities of the local government" as NRS 354.613(8)(a) mandates.

4. Facility Fee revenue is improperly reported under the Community Service Fund (page 12, schedule F-1). Given this revenue is the product of non-exchange transactions, GASB 33 instructs that it can only be one of four (4) classes "based on shared characteristics that affect the timing of recognition:

- a. Derived tax revenues, which result from assessments imposed on exchange transactions (for example, income taxes, sales taxes, and other assessments on earnings or consumption);
- b. Imposed nonexchange revenues, which result from assessments imposed on nongovernmental entities, including individuals, other than assessments on exchange transactions (for example, property taxes and fines);
- c. Government-mandated nonexchange transactions, which occur when a government at one level provides resources to a government at another level and requires the recipient to use the resources for a specific purpose (for example, federal programs that state or local governments are mandated to perform); and,
- d. Voluntary nonexchange transactions, which result from legislative or contractual agreements, other than exchanges, entered into willingly by the parties to the agreement (for example, certain grants and private donations)."

5. Given the shared characteristics of this facility fee can only fit into class two (2) above ["assessments imposed on nongovernmental entities, including individuals, other than assessments on exchange transactions"], the question: what express authority does IVGID have to involuntarily levy such an assessment?

6. I say express authority because "in Nevada's jurisprudence, the Nevada Supreme Court has adopted and applied *Dillon's Rule* to county, city and **other local governments**" like GIDs [see NRS 244.137(2) and 268.001(2)]. As applied to local governments *Dillon's Rule* provides [see NRS 244.137(3) and 268.001(3)] that the governing body may exercise **only the following powers and no others**:

- (a) Those powers granted in **express terms** by the Nevada Constitution, statute or city charter;
- (b) Those powers necessarily or fairly implied in or incident to the powers expressly granted; and
- (c) Those powers essential to the accomplishment of the declared objects and purposes of the city and not merely convenient but indispensable."

And "*Dillon's Rule* also provides that if there is any fair or reasonable doubt concerning the existence of a power, that doubt is resolved **against the governing body**...and the power is denied" [see NRS 244.137(4) and 268.001(4)].

7. NRS 318 governs GIDs. Where therein is it expressly declared that a GID has the power to levy "assessments imposed on nongovernmental entities, including individuals, other than assessments on exchange transactions?" The choices are twofold: First, *ad valorem* taxes [see NRS 318.225]. And second, "special assessments upon lands and premises abutting upon that part of the street or alley so improved or proposed so to be, or the lands abutting upon the improvement and the other lands as in the opinion of the board may be specially benefited by the improvement" [see NRS 318.350]. Given the subject fees are neither, and they are involuntarily assessed against real property, IVGID has no express power to enforce the same. Nor to budget them as operating revenues. Stated differently, their assessment is **not** in compliance with statutes or regulations.

8. IVGID will tell the Dep't its subject facility fee represents a "fee" permitted by NRS 318.197(1). But this is untrue. **All** fees, regardless of their label, are required to furnish comparable value to those who are charged. In other words, exchange transactions. But here the subject fee furnishes no value nor benefit whatsoever. Meaning it can't be a "fee."

8. And not that it's important what kind of NRS 318.197(1) fee the District's "so called" fee turns out to be, IVGID will tell the Dep't it is a charge for the mere "availability" to access and use its public recreation facilities. Even though essentially all of those facilities charge "user fees" to all users, including those whose real properties are assessed the fee. But since those facilities are "public," they're already available to be used by all members of the public. Whether or not they are residents of Incline Village/Crystal Bay, own real property in Incline Village/Crystal Bay, or are assessed this facility fee. Moreover, there is no such thing as a NRS 318.197(1) fee for the "availability of facilities." See for yourself.

9. Finally, availability fees are recognized for the "availability of service." But only public health and sanitation services delivered to real property (rather than persons). Here public recreation is not public health nor sanitation. And the District's public recreation facilities are not furnished to real property.

10. For all of these reasons, the facility fees which the District has budgeted to its Community Services Fund is not in compliance with the NRS and should be ordered removed.

11. Similarly, Facility Fee revenue is improperly reported under the Beach Fund (page 14, schedule F-1). And it is improperly reported for an additional important reason. The deed by which IVGID agreed to take title to its Lake Tahoe beaches includes a use easement in favor of all past, present and future Incline Village parcel owners whose parcels were within IVGID's boundaries in June of 1968. For this reason this facility fee does not furnish access and use of IVGID's beaches to those parcels which are assessed. Rather, the express easement in the beach deed does.

12. For all of these reasons, the facility fees which the District has budgeted to its Community Services Fund is not in compliance with the NRS and should be ordered removed.

13. As you know, I have written to the CLGF concerning several loans made staff from the District's General Fund to its Internal Services Fund. Several of these loans are identified in the District's 2022 and 2023 CAFRs. Others are identified in actual 2024 and estimated 2025 calendar years. But my point here is that the District's tentative budget fails to identify these loans as "other financing sources" to the General Fund (see page 6 of the Form 4404LGF), or nonoperating expenses to the Internal Services Fund (see page 16 of the Form 4404LGF). Nor Schedule C-1 Indebtedness (see page 18 of the Form 4404LGF). Again, more **non-compliance**.

14. I therefore request your office serve IVGID with "a written notice of lack of compliance (which)...indicate(s) as I have identified above) the manner in which the submitted documents

8/13/25, 3:04 PM

Re: IVGID's 2025-26 tentative/final budgets - P.S. - Kari Skalsky - Outlook

fail to comply with law or appropriate regulations." And that it provide Chairperson Leavitt and the remainder of CLGF members with that notice re lack of compliance as I believe this would be a material matter insofar as possible fiscal watch is concerned.

Thank you for your cooperation. Aaron Katz



Staff's Determination of Compliance Insofar as IVGID's 2025-26 Tentative Budget

From s4s@ix.netcom.com <s4s@ix.netcom.com>

Date Tue 5/27/2025 11:36 AM

To Chali Spurlock <CSpurlock@tax.state.nv.us>

Cc Kelly S. Langley <klangley@tax.state.nv.us>; Tax-Public Information Officer <taxpio@tax.state.nv.us>

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 and Ms. Langley -

On April 24, 2025 I sent you the e-mail below challenging IVGID's tentative budget as not being in compliance with the NRS/NAC.

Today I was provided with a May 20, 2025 letter from Kellie Grahmann of your Department informing IVGID that its tentative budget is in compliance with the NRS/NAC.

It is not.

I ask you share this e-mail with Chairperson Leavitt and the other Honorable Members of the CLGF **now** rather than sometime down the road closer to its next meeting, so they're familiar with exactly what is going on in Incline Village. Let me remind you that as of today, barely if not now less than three (3) days from its published public hearing date, staff have still **not** provided the IVGID Board and the public with:

1. A proposed FY 2025-26 final budget;
2. Authority for any alleged central services cost transfers from the District's enterprise funds (remember the tentative budget relies upon \$3.1M of such transfers which are voidable on their face inasmuch as the District has never adopted an updated central services cost allocation plan); or,
3. Authority for increased special tax assessments (disingenuously labeled facility "fees") to prop up its intentional overspending in its Community Services and Beach Funds.

And this is nearly two weeks since the District first published notice of the upcoming public hearing telling the public the District's proposed final budget was on file and available to be inspected, when it isn't!

Because I suspect that IVGID's final budget will suffer from this same non-compliance as does its tentative budget, if your office similarly finds, I intend to make formal request of the Executive Director for a NAC 354.940 advisory opinion.

The only reason I am not asking for that opinion now, is because I anticipate the District will commit additional NRS/NAC non-compliances. So rather than dealing with multiple non-compliances piecemeal, I intend to let circumstances play out as the District has published May 30, 2025 as the date for adoption of its FY 2025-26 budget.

I and others have told the CLGF for some time that the District is an out of control rogue local government which exists financially, on a series of revenue sources which are not in compliance with the NRS/NAC. Take away these improper revenue sources and what you're left with is a severe financial emergency. Which is exactly where we're heading. Which the CLGF will see materializes before members' eyes, assuming they are looking. Given IVGID is on "fiscal watch," I and others in our community hope the CLGF is watching.

I repeat that the reason the CLGF is hearing from members of the Incline Village/Crystal Bay public, is because unlike the rest of the state, their properties are being subjected to an invalid special tax. Once which is not in compliance with the NRS, and unlike an *ad valorem* tax, has no statutory limits.

Thank you for your cooperation. Aaron Katz

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

From: <s4s@ix.netcom.com>

Sent: Apr 24, 2025 2:29 PM

To: <CSpurlock@tax.state.nv.us>

Cc: <klangle@tax.state.nv.us>

Subject: IVGID's 2025-26 tentative budget

Hello Ms. Spurlock and Ms. Langley -

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1. Facility Fee revenue is improperly reported under Community Service Fund (page 12, schedule F-1) "operating revenue." GASB statement 9 instructs that only exchange transaction revenue be reported under operating revenue. But IVGID's current and immediate past auditors have both testified that this facility fee is the product of non-exchange transactions. In other words, the payors receive nothing of comparable value in consideration of forced payment. Therefore assuming arguendo it's proper to report facility fee revenue in this fund, it should be reported under "nonoperation revenues." IVGID staff agree with this criticism. Take a look at the asterisk at the bottom of page 14, schedule F-1, of the tentative budget: "Per Board direction, Facility Fees are being reported as Non-Operating revenues, beginning with FY2023-24." But the problem here is that these fees are not being reported as non-operating revenues. As they should.

2. Facility Fee revenue is improperly reported under Beach Fund (page 14, schedule F-1) "operating revenue." For the reasons stated in paragraph 1 above, these fees are not being reported as non-operating revenues. As they should.

3. Is it appropriate for a tentative budget to reflect numbers with no factual basis of support? In other words, throwing a dart against the wall and wherever it lands.... Assuming the answer is no, the Dep't's attention is directed to page 8 of schedule B-11. \$3,100,000 has been inserted as an alleged central services cost transfer ("expenditure offset") from three enterprise funds: \$1,641,000 from the District's Community Services Fund (see page 13 of schedule F-2), \$110,000 from the District's Beach Fund (see page 15, schedule F-2), and \$1,349,000 from the District's Utility Fund (see page 11, schedule F-2). This number is supported by no facts whatsoever. I can made this observation given NAC 354.865-

354.867 mandate that a series of factors be addressed in a local government's updated central services cost allocation plan. But here there is no plan. Because none was approved by the IVGID BOT "under a nonconsent item that (wa)s separately listed on the agenda for a regular meeting of the governing body" [see NRS 354.613(1)(c)] "before (a) the date on which the local government submit(ted) its tentative budget to the Department" [see NAC 354.8668(7)]. In other words, April 15, 2025.

Without an approved plan, the tentative budget's \$3,100,000 central services cost transfer number is the product of nothing more than throwing a dart on the wall. Or probably far more likely, a subsidy for the financial shortfall between budgeted General Fund revenues (see schedule B) and intentional overspending (see page 8, schedule B-10). Having nothing to do with any of the facts set forth in NAC 354.686-354.867 intended to "set...forth the extent to which an equitable distribution of all general, overhead, administrative and similar expenses of the local government among all activities of the local government" as NRS 354.613(8)(a) mandates.

4. Facility Fee revenue is improperly reported under the Community Service Fund (page 12, schedule F-1). Given this revenue is the product of non-exchange transactions, GASB 33 instructs that it can only be one of four (4) classes "based on shared characteristics that affect the timing of recognition:

- a. Derived tax revenues, which result from assessments imposed on exchange transactions (for example, income taxes, sales taxes, and other assessments on earnings or consumption);
- b. Imposed nonexchange revenues, which result from assessments imposed on nongovernmental entities, including individuals, other than assessments on exchange transactions (for example, property taxes and fines);
- c. Government-mandated nonexchange transactions, which occur when a government at one level provides resources to a government at another level and requires the recipient to use the resources for a specific purpose (for example, federal programs that state or local governments are mandated to perform); and,
- d. Voluntary nonexchange transactions, which result from legislative or contractual agreements, other than exchanges, entered into willingly by the parties to the agreement (for example, certain grants and private donations)."

5. Given the shared characteristics of this facility fee can only fit into class two (2) above ["assessments imposed on nongovernmental entities, including individuals, other than assessments on exchange transactions"], the question: what express authority does IVGID have to involuntarily levy such an assessment?

6. I say express authority because "in Nevada's jurisprudence, the Nevada Supreme Court has adopted and applied *Dillon's Rule* to county, city and **other local governments**" like GIDs [see NRS 244.137(2) and 268.001(2)]. As applied to local governments *Dillon's Rule* provides [see NRS 244.137(3) and 268.001(3)] that the governing body may exercise **only the following powers and no others**:

- (a) Those powers granted **in express terms** by the Nevada Constitution, statute or city charter;
- (b) Those powers necessarily or fairly implied in or incident to the powers expressly granted; and
- (c) Those powers essential to the accomplishment of the declared objects and purposes of the city and not merely convenient but indispensable."

And "*Dillon's Rule* also provides that if there is any fair or reasonable doubt concerning the existence of a power, that doubt is resolved **against the governing body**...and the power is denied" [see NRS 244.137(4) and 268.001(4)].

7. NRS 318 governs GIDs. Where therein is it expressly declared that a GID has the power to levy "assessments imposed on nongovernmental entities, including individuals, other

than assessments on exchange transactions?" The choices are twofold: First, *ad valorem* taxes [see NRS 318.225]. And second, "special assessments upon lands and premises abutting upon that part of the street or alley so improved or proposed so to be, or the lands abutting upon the improvement and the other lands as in the opinion of the board may be specially benefited by the improvement" [see NRS 318.350]. Given the subject fees are neither, and they are involuntarily assessed against real property, IVGID has no express power to enforce the same. Nor to budget them as operating revenues. Stated differently, their assessment is **not** in compliance with statutes or regulations.

8. IVGID will tell the Dep't its subject facility fee represents a "fee" permitted by NRS 318.197(1). But this is untrue. **All** fees, regardless of their label, are required to furnish comparable value to those who are charged. In other words, exchange transactions. But here the subject fee furnishes no value nor benefit whatsoever. Meaning it can't be a "fee."

8. And not that it's important what kind of NRS 318.197(1) fee the District's "so called" fee turns out to be, IVGID will tell the Dep't it is a charge for the mere "availability" to access and use its public recreation facilities. Even though essentially all of those facilities charge "user fees" to all users, including those whose real properties are assessed the fee. But since those facilities are "public," they're already available to be used by all members of the public. Whether or not they are residents of Incline Village/Crystal Bay, own real property in Incline Village/Crystal Bay, or are assessed this facility fee. Moreover, there is no such thing as a NRS 318.197(1) fee for the "availability of facilities." See for yourself.

9. Finally, availability fees are recognized for the "availability of service." But only public health and sanitation services delivered to real property (rather than persons). Here public recreation is not public health nor sanitation. And the District's public recreation facilities are not furnished to real property.

10. For all of these reasons, the facility fees which the District has budgeted to its Community Services Fund is not in compliance with the NRS and should be ordered removed.

11. Similarly, Facility Fee revenue is improperly reported under the Beach Fund (page 14, schedule F-1). And it is improperly reported for an additional important reason. The deed by which IVGID agreed to take title to its Lake Tahoe beaches includes a use easement in favor of all past, present and future Incline Village parcel owners whose parcels were within IVGID's boundaries in June of 1968. For this reason this facility fee does not furnish access and use of IVGID's beaches to those parcels which are assessed. Rather, the express easement in the beach deed does.

12. For all of these reasons, the facility fees which the District has budgeted to its Community Services Fund is not in compliance with the NRS and should be ordered removed.

13. As you know, I have written to the CLGF concerning several loans made staff from the District's General Fund to its Internal Services Fund. Several of these loans are identified in the District's 2022 and 2023 CAFRs. Others are identified in actual 2024 and estimated 2025 calendar years. But my point here is that the District's tentative budget fails to identify these loans as "other financing sources" to the General Fund (see page 6 of the Form 4404LGF), or nonoperating expenses to the Internal Services Fund (see page 16 of the Form 4404LGF). Nor Schedule C-1 Indebtedness (see page 18 of the Form 4404LGF). Again, more **non**-compliance.

14. I therefore request your office serve IVGID with "a written notice of lack of compliance (which)...indicate(s) as I have identified above) the manner in which the submitted documents fail to comply with law or appropriate regulations." And that it provide Chairperson Leavitt and the remainder of CLGF members with that notice re lack of compliance as I believe this would be a material matter insofar as possible fiscal watch is concerned.

Thank you for your cooperation. Aaron Katz

From: [Kelly S. Langley](#)
To: [Marvin Leavitt](#)
Cc: [Patricia Olmstead](#); [Chali Spurlock](#)
Subject: Communication requested to be shared with CLGF
Date: Wednesday, May 28, 2025 3:10:00 PM
Attachments: [Re IVGID's 2025-26 Tentative Budget.msg](#)
[Staff's Determination of Compliance and 2025-26 Tentative Budget.msg](#)
[Re Staff's Determination of Compliance and 2025-26 Tentative Budget.msg](#)
[Tentative Budget.pdf](#)

CLGF,

Attached are 3 emails (2 from Mr. Katz and 1 from JGumz1) requesting that we share with you their emails to the Department now and not wait until our next CLGF meeting regarding IVGID. I also provided you the Certificate of Compliance letter that was provided to Incline Village GID for the Tentative Budget for FY 25/26. As an update on their status, please know that it looks like I may be receiving DRAFT Financial Statements from their Auditor this week.

Respectfully,

*Kelly S Langley,
Nevada Department of Taxation
Local Government Finance and Boards & Commissions
3850 Arrowhead Drive
Carson City, NV 89706
klangley@tax.state.nv.us
775.684.2073 Office
775.636.0101 Cell*

***Notice:** Our new E-services have launched. Create a new log on or register your business today at MyNevadaTax.nv.gov. Instructional videos for My Nevada Tax can be found here: [How-to Videos for Nevada Tax - State of Nevada](#). Additional information can be found in the [FAQ section](#).

From: s4s@ix.netcom.com
To: [Chali Spurlock](#)
Cc: [Kelly S. Langley](#); [Tax-Public Information Officer](#)
Subject: Re: IVGID's 2025-26 tentative/final budgets - P.S.
Date: Saturday, May 24, 2025 1:24:43 AM

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

Hello Ms. Langley -

This is a follow up to my April 24, 2025 e-mail below.

Have you or is it your intent to submit to the IVGID BOT, at least 3 days before its noticed public hearing on its FY 2025/26 final budget (May 30, 2025), either:

1. A written "certificate of compliance" insofar as its FY 2025/26 tentative budget is concerned;
2. A written "notice of lack of compliance" insofar as its FY 2025/26 tentative budget is concerned; and/or, and/or,
3. A written notification that its "submitted (tentative budget) documents fail to comply with law or appropriate regulations?"

Assuming the answer is yes to one or more of the above, can you please provide me with copies? Please consider this request to be one for public records.

Also, I ask you share with Chairperson Leavitt and other honorable members of the CLGF, **now rather than immediately prior to its next scheduled meeting**, the following.

4. IVGID still does not have an auditor for FY 2025/2026. Even though NRS 354.624(3) instructs that "the auditor or firm must be designated, and **notification of the auditor or firm designated must be sent to the Department of Taxation not later than 3 months before the close of the fiscal year for which the audit is to be made.**" Insofar as IVGID is concerned, that due date was March 30, 2025.

5. IVGID still does not have a central services cost allocation plan for FY 2025/26. Even though NAC 354.8668(7) instructs that since IVGID is not "exempt from the requirement to submit a tentative budget to the Department," its central services cost allocation plan **"must be updated annually before: (a) the date on which the local government submits its tentative budget to the Department."** Insofar as IVGID is concerned, that due date was April 15, 2025.

6. Moreover, the Committee can see that IVGID's FY 2026 tentative budget relies upon \$3.1M of transfers from enterprise funds to IVGID's General Fund. And I was informed by IVGID staff this morning that it is no closer to adopting such a plan today, than it was on April 15, 2025.

7. And the IVGID BOT will not be asked to approve such a plan in compliance with the NRS and NAC **at all**. Notwithstanding I predict its proposed final FY 2026 budget will rely upon transfers from enterprise funds to IVGID's General Fund.

8. Moreover, the Committee can see that IVGID's FY 2026 tentative budget relies upon increased facility fees. Notwithstanding the IVGID BOT will not be asked to approve such increased fees in compliance with the NRS and NAC **at all**. And I predict its proposed final FY 2026 budget will rely upon those increased facility fees.

9. Which means IVGID will **not** be able to pass a final FY 2026 budget by the statutory due date (June 1, 2025) therefore [see NRS 354.598(2)]. It may attempt to pass such a budget but when it's challenged by myself and others, this Committee will learn why the District's actions are voidable.

Just so we're all on the same page.

10. Moreover, on page 6 of today's Tahoe Daily Tribune, Committee members will see a Notice of Public Hearing has been published insofar as adoption of the District's FY 2026 budget. The Notice states, in part, that the final "budget has been prepared in such detail and **on the appropriate forms as prescribed by the Nevada Department of Taxation** [i.e., form 4404LGF (and that)] copies of said budget **are on file for public inspection** at the (administrative) offices of" IVGID. So this morning I presented myself at the District's admin offices in order to inspect this proposed budget "on the appropriate forms as prescribed by the...Department of Taxation." And **none** was there. Rather a number of spreadsheet work papers which had been prepared as part of the materials given to the BOT on May 14, 2025 were available for inspection.

11. So I asked the receptionist to examine what was represented in the published notice and to provide for my examination what was represented. It was then she

retrieved Susan Herron who told me there still is no proposed final budget, let alone one on appropriate forms, for public inspection. Rather, that proposed budget will be included in the Board packet for the BOT's review next Tuesday, May 27, 2025. For these reasons I have e-mailed the IVGID BOT objecting to the published May 30, 2025 hearing going forward. At least insofar as the fiscal year 2025/2026 budget is concerned. Because the public has not had the opportunity to examine it within a reasonable period of time prior to the published May 30, 2025 public hearing. Is this the reason the NRS requires a minimum of two weeks' public notice?

12. Now maybe some Committee members think this lack of notice to the public isn't that important because in most municipalities, local parcel owners or residents have no direct financial stake in budgeted expenditures. But not so in Incline Village. As I and others have shared, a very large percentage of the District's revenues **are not in compliance with law**. I predict staff's proposed final FY 2026 budget will rely upon over \$4M of inappropriate transfers from the District's enterprise funds to its General Fund. And those transfers will be funded by increased water and sewer rates and charges directly paid by local parcel owners, and an invalid special tax against property the product of a series of non-exchange transactions.

13. I also predict that staff will be proposing a 5 year capital improvement plan for BOT approval which admittedly consists of nothing more than \$56M of "wish list" CIPs with no moneys available to pay for them short of increasing the District's invalid facility fees from \$450 per local parcel/dwelling unit, to between \$1,376-2,268 per local parcel/dwelling unit, for each of the next five years. And again these "fees" will be directly paid by local parcel owners.

14. Moreover, when IVGID staff presented the proposed tentative FY 2026 budget, which was never formally approved by the BOT, staff admitted that essentially all of the numbers included in the form 4404LGF were fantasy "placeholders." And not to worry because the BOT would have plenty of time to make modifications as several subsequent "budget workshops" were scheduled.

15. Which means that if a final FY 2026 budget is not approved at the BOT's May 30, 2026 meeting, **which it will not**, according to NRS 354.598(2) staff's phony tentative budget will become the District's final budget by default. So much for protecting the public.

One would think that being on fiscal watch, the District would go out of its way to be absolutely squeaky clean insofar as the NRS'/NAC's requirements are concerned. But not so. Because it's not the local government you give it credit for. Even though it hired GM Harrison rather recently because he allegedly had over 30 years of government finance reporting and would be able to immediately hit the road running.

All of this is evidence the District suffers from severe financial emergency, and its

BOT is clearly not capable of properly running the District. Therefore if my predictions above turn out to be fact, I ask:

- a) The Executive Director be requested to ask the Committee to initiate hearings to determine the existence of a NRS 354.685 severe financial emergency; and,
- b) The Executive Director be requested to notify the Washoe County Board of Commissioners to initiate public hearings involving IVGID in accordance with NRS 318.515.

Thank you for your cooperation. Aaron Katz

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

From: <s4s@ix.netcom.com>

Sent: Apr 24, 2025 2:29 PM

To: <CSpurlock@tax.state.nv.us>

Cc: <klangley@tax.state.nv.us>

Subject: IVGID's 2025-26 tentative budget

Hello Ms. Spurlock and Ms. Langley -

The purpose of this e-mail is to alert the Dep't that IVGID's tentative budget for 2026 is not in compliance with the NRS and the NAC. Given NRS 354.596(5) instructs that "the Department of Taxation shall examine the submitted documents **for compliance with law and with appropriate regulations** and shall submit to the governing body at least 3 days before the public hearing a written certificate of compliance or a written notice of lack of compliance," for the reasons which follow I ask the Dep't notify IVGID that its "submitted documents fail to comply with law or appropriate regulations." Please consider the following evidence of statutory and/or regulatory non-compliance:

1. Facility Fee revenue is improperly reported under Community Service Fund (page 12, schedule F-1) "operating revenue." GASB statement 9 instructs that only exchange transaction revenue be reported under operating revenue. But IVGID's current and immediate past auditors have both testified that this facility fee is the product of non-exchange transactions. In other words, the payors receive nothing of comparable value in consideration of forced payment. Therefore assuming arguendo it's proper to report facility fee revenue in this fund, it should be reported under "nonoperation revenues." IVGID staff agree with this criticism. Take a look at the asterisk at the bottom of page 14, schedule F-1, of the tentative budget: "Per Board direction, Facility Fees are being reported as Non-Operating revenues, beginning with FY2023-24." But the problem here is that these fees are not being

reported as non-operating revenues. As they should.

2. Facility Fee revenue is improperly reported under Beach Fund (page 14, schedule F-1) "operating revenue." For the reasons stated in paragraph 1 above, these fees are not being reported as non-operating revenues. As they should.

3. Is it appropriate for a tentative budget to reflect numbers with no factual basis of support? In other words, throwing a dart against the wall and wherever it lands.... Assuming the answer is no, the Dep't's attention is directed to page 8 of schedule B-11. \$3,100,000 has been inserted as an alleged central services cost transfer ("expenditure offset") from three enterprise funds: \$1,641,000 from the District's Community Services Fund (see page 13 of schedule F-2), \$110,000 from the District's Beach Fund (see page 15, schedule F-2), and \$1,349,000 from the District's Utility Fund (see page 11, schedule F-2). This number is supported by no facts whatsoever. I can make this observation given NAC 354.865-354.867 mandate that a series of factors be addressed in a local government's updated central services cost allocation plan. But here there is no plan. Because none was approved by the IVGID BOT "under a nonconsent item that (wa)s separately listed on the agenda for a regular meeting of the governing body" [see NRS 354.613(1) (c)] "before (a) the date on which the local government submit(ted) its tentative budget to the Department" [see NAC 354.8668(7)]. In other words, April 15, 2025.

Without an approved plan, the tentative budget's \$3,100,000 central services cost transfer number is the product of nothing more than throwing a dart on the wall. Or probably far more likely, a subsidy for the financial shortfall between budgeted General Fund revenues (see schedule B) and intentional overspending (see page 8, schedule B-10). Having nothing to do with any of the facts set forth in NAC 354.686-354.867 intended to "set...forth the extent to which an equitable distribution of all general, overhead, administrative and similar expenses of the local government among all activities of the local government" as NRS 354.613(8) (a) mandates.

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government at one level provides resources to a government at another level and requires the recipient to use the resources for a specific purpose (for example, federal programs that state or local governments are mandated to perform); and,

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5. Given the shared characteristics of this facility fee can only fit into class two (2) above ["assessments imposed on nongovernmental entities, including individuals, other than assessments on exchange transactions"], the question: what express authority does IVGID have to involuntarily levy such an assessment?

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the Internal Services Fund (see page 16 of the Form 4404LGF). Nor Schedule C-1 Indebtedness (see page 18 of the Form 4404LGF). Again, more **non**-compliance.

14. I therefore request your office serve IVGID with "a written notice of lack of compliance (which)...indicate(s as I have identified above) the manner in which the submitted documents fail to comply with law or appropriate regulations." And that it provide Chairperson Leavitt and the remainder of CLGF members with that notice re lack of compliance as I believe this would be a material matter insofar as possible fiscal watch is concerned.

Thank you for your cooperation. Aaron Katz

From: s4s@ix.netcom.com
To: [Chali Spurlock](#)
Cc: [Kelly S. Langley](#); [Tax-Public Information Officer](#)
Subject: Staff's Determination of Compliance Insofar as IVGID's 2025-26 Tentative Budget
Date: Tuesday, May 27, 2025 11:36:33 AM

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 and Ms. Langley -

On April 24, 2025 I sent you the e-mail below challenging IVGID's tentative budget as not being in compliance with the NRS/NAC.

Today I was provided with a May 20, 2025 letter from Kellie Grahmann of your Department informing IVGID that its tentative budget is in compliance with the NRS/NAC.

It is not.

I ask you share this e-mail with Chairperson Leavitt and the other Honorable Members of the CLGF **now** rather than sometime down the road closer to its next meeting, so they're familiar with exactly what is going on in Incline Village. Let me remind you that as of today, barely if not now less than three (3) days from its published public hearing date, staff have still **not** provided the IVGID Board and the public with:

1. A proposed FY 2025-26 final budget;
2. Authority for any alleged central services cost transfers from the District's enterprise funds (remember the tentative budget relies upon \$3.1M of such transfers which are voidable on their face inasmuch as the District has never adopted an updated central services cost allocation plan); or,
3. Authority for increased special tax assessments (disingenuously labeled facility "fees") to prop up its intentional overspending in its Community Services and Beach Funds.

And this is nearly two weeks since the District first published notice of the upcoming public hearing telling the public the District's proposed final budget was on file and available to be inspected, when it isn't!

Because I suspect that IVGID's final budget will suffer from this same non-compliance as does its tentative budget, if your office similarly finds, I intend to make formal request of the Executive Director for a NAC 354.940 advisory opinion.

The only reason I am not asking for that opinion now, is because I anticipate the District will commit additional NRS/NAC non-compliances. So rather than dealing with multiple non-compliances piecemeal, I intend to let circumstances play out as the District has published May 30, 2025 as the date for adoption of its FY 2025-26 budget.

I and others have told the CLGF for some time that the District is an out of control rogue local government which exists financially, on a series of revenue sources which are not in compliance with the NRS/NAC. Take away these improper revenue sources and what you're left with is a severe financial emergency. Which is exactly where we're heading. Which the CLGF will see materializes before members' eyes, assuming they are looking. Given IVGID is on "fiscal watch," I and others in our community hope the CLGF is watching.

I repeat that the reason the CLGF is hearing from members of the Incline Village/Crystal Bay public, is because unlike the rest of the state, their properties are being subjected to an invalid special tax. Once which is not in compliance with the NRS, and unlike an *ad valorem* tax, has no statutory limits.

Thank you for your cooperation. Aaron Katz

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

From: <s4s@ix.netcom.com>

Sent: Apr 24, 2025 2:29 PM

To: <CSpurlock@tax.state.nv.us>

Cc: <klangley@tax.state.nv.us>

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shall submit to the governing body at least 3 days before the public hearing a written certificate of compliance or a written notice of lack of compliance," for the reasons which follow I ask the Dep't notify IVGID that its "submitted documents fail to comply with law or appropriate regulations." Please consider the following evidence of statutory and/or regulatory non-compliance:

1. Facility Fee revenue is improperly reported under Community Service Fund (page 12, schedule F-1) "operating revenue." GASB statement 9 instructs that only exchange transaction revenue be reported under operating revenue. But IVGID's current and immediate past auditors have both testified that this facility fee is the product of non-exchange transactions. In other words, the payors receive nothing of comparable value in consideration of forced payment. Therefore assuming arguendo it's proper to report facility fee revenue in this fund, it should be reported under "nonoperation revenues." IVGID staff agree with this criticism. Take a look at the asterisk at the bottom of page 14, schedule F-1, of the tentative budget: "Per Board direction, Facility Fees are being reported as Non-Operating revenues, beginning with FY2023-24." But the problem here is that these fees are not being reported as non-operating revenues. As they should.

2. Facility Fee revenue is improperly reported under Beach Fund (page 14, schedule F-1) "operating revenue." For the reasons stated in paragraph 1 above, these fees are not being reported as non-operating revenues. As they should.

3. Is it appropriate for a tentative budget to reflect numbers with no factual basis of support? In other words, throwing a dart against the wall and wherever it lands.... Assuming the answer is no, the Dep't's attention is directed to page 8 of schedule B-11. \$3,100,000 has been inserted as an alleged central services cost transfer ("expenditure offset") from three enterprise funds: \$1,641,000 from the District's Community Services Fund (see page 13 of schedule F-2), \$110,000 from the District's Beach Fund (see page 15, schedule F-2), and \$1,349,000 from the District's Utility Fund (see page 11, schedule F-2). This number is supported by no facts whatsoever. I can make this observation given NAC 354.865-354.867 mandate that a series of factors be addressed in a local government's updated central services cost allocation plan. But here there is no plan. Because none was approved by the IVGID BOT "under a nonconsent item that (wa)s separately listed on the agenda for a regular meeting of the governing body" [see NRS 354.613(1)(c)] "before (a) the date on which the local government submit(ted) its tentative budget to the Department" [see NAC 354.866(7)]. In other words, April 15, 2025.

Without an approved plan, the tentative budget's \$3,100,000 central services cost transfer number is the product of nothing more than throwing a dart on the wall. Or probably far more likely, a subsidy for the financial shortfall between budgeted General Fund revenues (see schedule B) and intentional overspending (see page 8, schedule B-10). Having nothing to do with any of the facts set forth in NAC 354.686-354.867 intended to "set...forth the extent to which an equitable distribution of all general, overhead, administrative and similar expenses of the

local government among all activities of the local government" as NRS 354.613(8)(a) mandates.

4. Facility Fee revenue is improperly reported under the Community Service Fund (page 12, schedule F-1). Given this revenue is the product of non-exchange transactions, GASB 33 instructs that it can only be one of four (4) classes "based on shared characteristics that affect the timing of recognition:

a. Derived tax revenues, which result from assessments imposed on exchange transactions (for example, income taxes, sales taxes, and other assessments on earnings or consumption);

b. Imposed nonexchange revenues, which result from assessments imposed on nongovernmental entities, including individuals, other than assessments on exchange transactions (for example, property taxes and fines);

c. Government-mandated nonexchange transactions, which occur when a government at one level provides resources to a government at another level and requires the recipient to use the resources for a specific purpose (for example, federal programs that state or local governments are mandated to perform); and,

d. Voluntary nonexchange transactions, which result from legislative or contractual agreements, other than exchanges, entered into willingly by the parties to the agreement (for example, certain grants and private donations)."

5. Given the shared characteristics of this facility fee can only fit into class two (2) above ["assessments imposed on nongovernmental entities, including individuals, other than assessments on exchange transactions"], the question: what express authority does IVGID have to involuntarily levy such an assessment?

6. I say express authority because "in Nevada's jurisprudence, the Nevada Supreme Court has adopted and applied *Dillon's Rule* to county, city and **other local governments**" like GIDs [see NRS 244.137(2) and 268.001(2)]. As applied to local governments *Dillon's Rule* provides [see NRS 244.137(3) and 268.001(3)] that the governing body may exercise **only the following powers and no others**:

(a) Those powers granted **in express terms** by the Nevada Constitution, statute or city charter;

(b) Those powers necessarily or fairly implied in or incident to the powers expressly granted; and

(c) Those powers essential to the accomplishment of the declared objects and purposes of the city and not merely convenient but indispensable."

And "*Dillon's Rule*" also provides that if there is any fair or reasonable doubt concerning the existence of a power, that doubt is resolved **against the governing body**...and the power is denied" [see NRS 244.137(4) and 268.001(4)].

7. NRS 318 governs GIDs. Where therein is it expressly declared that a GID has the power to levy "assessments imposed on nongovernmental entities, including individuals, other than assessments on exchange transactions?" The choices are twofold: First, *ad valorem* taxes [see NRS 318.225]. And second, "special assessments upon lands and premises abutting upon that part of the street or alley so improved or proposed so to be, or the lands abutting upon the improvement and the other lands as in the opinion of the board may be specially benefited by the improvement" [see NRS 318.350]. Given the subject fees are neither, and they are involuntarily assessed against real property, IVGID has no express power to enforce the same. Nor to budget them as operating revenues. Stated differently, their assessment is **not** in compliance with statutes or regulations.

8. IVGID will tell the Dep't its subject facility fee represents a "fee" permitted by NRS 318.197(1). But this is untrue. **All** fees, regardless of their label, are required to furnish comparable value to those who are charged. In other words, exchange transactions. But here the subject fee furnishes no value nor benefit whatsoever. Meaning it can't be a "fee."

8. And not that it's important what kind of NRS 318.197(1) fee the District's "so called" fee turns out to be, IVGID will tell the Dep't it is a charge for the mere "availability" to access and use its public recreation facilities. Even though essentially all of those facilities charge "user fees" to all users, including those whose real properties are assessed the fee. But since those facilities are "public," they're already available to be used by all members of the public. Whether or not they are residents of Incline Village/Crystal Bay, own real property in Incline Village/Crystal Bay, or are assessed this facility fee. Moreover, there is no such thing as a NRS 318.197(1) fee for the "availability of facilities." See for yourself.

9. Finally, availability fees are recognized for the "availability of service." But only public health and sanitation services delivered to real property (rather than persons). Here public recreation is not public health nor sanitation. And the District's public recreation facilities are not furnished to real property.

10. For all of these reasons, the facility fees which the District has budgeted to its Community Services Fund is not in compliance with the NRS and should be ordered removed.

11. Similarly, Facility Fee revenue is improperly reported under the Beach Fund (page 14, schedule F-1). And it is improperly reported for an additional important reason. The deed by which IVGID agreed to take title to its Lake Tahoe beaches includes a use easement in favor of all past, present and future Incline Village parcel owners whose parcels were within IVGID's boundaries in June of 1968. For this reason this facility fee does not furnish access and use of IVGID's beaches to those parcels which are assessed. Rather, the express easement in the beach deed does.

12. For all of these reasons, the facility fees which the District has budgeted to its Community Services Fund is not in compliance with the NRS and should be ordered removed.

13. As you know, I have written to the CLGF concerning several loans made staff from the District's General Fund to its Internal Services Fund. Several of these loans are identified in the District's 2022 and 2023 CAFRs. Others are identified in actual 2024 and estimated 2025 calendar years. But my point here is that the District's tentative budget fails to identify these loans as "other financing sources" to the General Fund (see page 6 of the Form 4404LGF), or nonoperating expenses to the Internal Services Fund (see page 16 of the Form 4404LGF). Nor Schedule C-1 Indebtedness (see page 18 of the Form 4404LGF). Again, more **non-compliance**.

14. I therefore request your office serve IVGID with "a written notice of lack of compliance (which)...indicate(s) as I have identified above) the manner in which the submitted documents fail to comply with law or appropriate regulations." And that it provide Chairperson Leavitt and the remainder of CLGF members with that notice re lack of compliance as I believe this would be a material matter insofar as possible fiscal watch is concerned.

Thank you for your cooperation. Aaron Katz

From: 1
To: s4s@ix.netcom.com
Cc: Chali Spurlock; Kelly S. Langley; Tax-Public Information Officer
Subject: Re: Staff's Determination of Compliance Insofar as IVGID's 2025-26 Tentative Budget
Date: Tuesday, May 27, 2025 11:53:09 AM

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

The Nevada Department of Taxation and the Committee on Local Government Finance (CLGF) have been repeatedly notified that IVGID's "recreation facility fee" is an unlawful tax. NRS 318.235, as amended in 1999, clearly states that special levies must end once the original debt is paid. Marvin Leavitt, current CLGF chair, testified in support of this law in 1999. Despite this, IVGID continues to collect the fee every year. The Department of Taxation keeps approving IVGID's budgets, and the CLGF has taken no action. This ongoing levy violates both the law and the legislative intent.

On Tue, May 27, 2025 at 11:36 AM <s4s@ix.netcom.com> wrote:

Hello Ms. Spurlock and Ms. Langley -

On April 24, 2025 I sent you the e-mail below challenging IVGID's tentative budget as not being in compliance with the NRS/NAC.

Today I was provided with a May 20, 2025 letter from Kellie Grahmann of your Department informing IVGID that its tentative budget is in compliance with the NRS/NAC.

It is not.

I ask you share this e-mail with Chairperson Leavitt and the other Honorable Members of the CLGF **now** rather than sometime down the road closer to its next meeting, so they're familiar with exactly what is going on in Incline Village. Let me remind you that as of today, barely if not now less than three (3) days from its published public hearing date, staff have still **not** provided the IVGID Board and the public with:

1. A proposed FY 2025-26 final budget;
2. Authority for any alleged central services cost transfers from the District's enterprise funds (remember the tentative budget relies upon \$3.1M of such transfers which are voidable on their face inasmuch as the District has never

adopted an updated central services cost allocation plan); or,

3. Authority for increased special tax assessments (disingenuously labeled facility "fees") to prop up its intentional overspending in its Community Services and Beach Funds.

And this is nearly two weeks since the District first published notice of the upcoming public hearing telling the public the District's proposed final budget was on file and available to be inspected, when it isn't!

Because I suspect that IVGID's final budget will suffer from this same non-compliance as does its tentative budget, if your office similarly finds, I intend to make formal request of the Executive Director for a NAC 354.940 advisory opinion.

The only reason I am not asking for that opinion now, is because I anticipate the District will commit additional NRS/NAC non-compliances. So rather than dealing with multiple non-compliances piecemeal, I intend to let circumstances play out as the District has published May 30, 2025 as the date for adoption of its FY 2025-26 budget.

I and others have told the CLGF for some time that the District is an out of control rogue local government which exists financially, on a series of revenue sources which are not in compliance with the NRS/NAC. Take away these improper revenue sources and what you're left with is a severe financial emergency. Which is exactly where we're heading. Which the CLGF will see materializes before members' eyes, assuming they are looking. Given IVGID is on "fiscal watch," I and others in our community hope the CLGF is watching.

I repeat that the reason the CLGF is hearing from members of the Incline Village/Crystal Bay public, is because unlike the rest of the state, their properties are being subjected to an invalid special tax. Once which is not in compliance with the NRS, and unlike an *ad valorem* tax, has no statutory limits.

Thank you for your cooperation. Aaron Katz

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

From: <s4s@ix.netcom.com>

Sent: Apr 24, 2025 2:29 PM

To: <CSpurlock@tax.state.nv.us>

Cc: <klangley@tax.state.nv.us>

Subject: IVGID's 2025-26 tentative budget

Hello Ms. Spurlock and Ms. Langley -

The purpose of this e-mail is to alert the Dep't that IVGID's tentative budget for 2026 is not in compliance with the NRS and the NAC. Given NRS 354.596(5) instructs that "the Department of Taxation shall examine the submitted documents **for compliance with law and with appropriate regulations** and shall submit to the governing body at least 3 days before the public hearing a written certificate of compliance or a written notice of lack of compliance," for the reasons which follow I ask the Dep't notify IVGID that its "submitted documents fail to comply with law or appropriate regulations." Please consider the following evidence of statutory and/or regulatory non-compliance:

1. Facility Fee revenue is improperly reported under Community Service Fund (page 12, schedule F-1) "operating revenue." GASB statement 9 instructs that only exchange transaction revenue be reported under operating revenue. But IVGID's current and immediate past auditors have both testified that this facility fee is the product of non-exchange transactions. In other words, the payors receive nothing of comparable value in consideration of forced payment. Therefore assuming arguendo it's proper to report facility fee revenue in this fund, it should be reported under "nonoperation revenues." IVGID staff agree with this criticism. Take a look at the asterisk at the bottom of page 14, schedule F-1, of the tentative budget: "Per Board direction, Facility Fees are being reported as Non-Operating revenues, beginning with FY2023-24." But the problem here is that these fees are not being reported as non-operating revenues. As they should.

2. Facility Fee revenue is improperly reported under Beach Fund (page 14, schedule F-1) "operating revenue." For the reasons stated in paragraph 1 above, these fees are not being reported as non-operating revenues. As they should.

3. Is it appropriate for a tentative budget to reflect numbers with no factual basis of support? In other words, throwing a dart against the wall and wherever it lands.... Assuming the answer is no, the Dep't's attention is directed to page 8 of schedule B-11. \$3,100,000 has been inserted as an alleged central services cost transfer ("expenditure offset") from three enterprise funds: \$1,641,000 from the District's Community Services Fund (see page 13 of schedule F-2), \$110,000 from the District's Beach Fund (see page 15, schedule F-2), and \$1,349,000 from the District's Utility Fund (see page 11, schedule F-2). This number is supported by no facts whatsoever. I can made this observation given NAC 354.865-354.867 mandate that a series of factors be addressed in a local government's updated central services cost allocation plan. But here there is no plan. Because none was approved by the IVGID BOT "under a nonconsent item that (wa)s separately listed on the agenda for a regular meeting of the governing body" [see NRS 354.613(1)(c)] "before (a) the date on which the local government submit(ted) its tentative budget to the Department" [see NAC

354.8668(7)]. In other words, April 15, 2025.

Without an approved plan, the tentative budget's \$3,100,000 central services cost transfer number is the product of nothing more than throwing a dart on the wall. Or probably far more likely, a subsidy for the financial shortfall between budgeted General Fund revenues (see schedule B) and intentional overspending (see page 8, schedule B-10). Having nothing to do with any of the facts set forth in NAC 354.686-354.867 intended to "set...forth the extent to which an equitable distribution of all general, overhead, administrative and similar expenses of the local government among all activities of the local government" as NRS 354.613(8)(a) mandates.

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5. Given the shared characteristics of this facility fee can only fit into class two (2) above ["assessments imposed on nongovernmental entities, including individuals, other than assessments on exchange transactions"], the question: what express authority does IVGID have to involuntarily levy such an assessment?

6. I say express authority because "in Nevada's jurisprudence, the Nevada Supreme Court has adopted and applied *Dillon's Rule* to county, city and **other local governments**" like GIDs [see NRS 244.137(2) and 268.001(2)]. As applied to local governments *Dillon's Rule* provides [see NRS 244.137(3) and 268.001(3)] that the governing body may exercise **only the following powers**

and no others:

- (a) Those powers granted **in express terms** by the Nevada Constitution, statute or city charter;
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And "*Dillon's Rule* also provides that if there is any fair or reasonable doubt concerning the existence of a power, that doubt is resolved **against the governing body**...and the power is denied" [see NRS 244.137(4) and 268.001(4)].

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9. Finally, availability fees are recognized for the "availability of service." But only public health and sanitation services delivered to real property (rather than persons). Here public recreation is not public health nor sanitation. And the District's public recreation facilities are not furnished to real property.

10. For all of these reasons, the facility fees which the District has budgeted to its Community Services Fund is not in compliance with the NRS and should be ordered removed.

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13. As you know, I have written to the CLGF concerning several loans made staff from the District's General Fund to its Internal Services Fund. Several of these loans are identified in the District's 2022 and 2023 CAFRs. Others are identified in actual 2024 and estimated 2025 calendar years. But my point here is that the District's tentative budget fails to identify these loans as "other financing sources" to the General Fund (see page 6 of the Form 4404LGF), or nonoperating expenses to the Internal Services Fund (see page 16 of the Form 4404LGF). Nor Schedule C-1 Indebtedness (see page 18 of the Form 4404LGF). Again, more **non**-compliance.

14. I therefore request your office serve IVGID with "a written notice of lack of compliance (which)...indicate(s) as I have identified above) the manner in which the submitted documents fail to comply with law or appropriate regulations." And that it provide Chairperson Leavitt and the remainder of CLGF members with that notice re lack of compliance as I believe this would be a material matter insofar as possible fiscal watch is concerned.

Thank you for your cooperation. Aaron Katz

||



STATE OF NEVADA
DEPARTMENT OF TAXATION

MAIN OFFICE
3850 Arrowhead Drive
Carson City, Nevada 89706

JOE LOMBARDO
Governor

GEORGE KELESIS
Chair, Nevada Tax Commission

SHELLIE HUGHES
Executive Director

May 20, 2025

Jessica O'Connell
Incline Village GID
893 Southwood Blvd.
Incline Village, NV 89451

Re: Tentative Budget – Fiscal Year 25/26
Incline Village General Improvement District

Dear Ms. O'Connell:

The Department of Taxation has examined your fiscal year 2025/26 tentative budget for Incline Village GID pursuant to NRS 354.596(5) and finds it to be in compliance with the law and appropriate regulations.

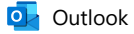
Please be reminded a proof of publication of the notice of the public hearing must be transmitted to the Department with your final budget (NRS 354.598 (3)).

If you should have any questions, please do not hesitate to call me at (775) 684-2065 or by e-mail kgrahmann@tax.state.nv.us.

Sincerely,

A handwritten signature in blue ink that reads "Kellie Grahmann".

Kellie Grahmann
Budget Analyst
Local Government Finance
Department of Taxa



Recap of todays meeting with Dates and Submissions

From Jessica O'Connell <joc@ivgid.org>

Date Thu 5/29/2025 3:48 PM

To Jennifer Farr <jfarr@davisfarr.com>; Barter, Noemi <noemi.barter@bakertilly.com>; Robert W. Harrison <RWH@ivgid.org>

Cc Kelly S. Langley <klangley@tax.state.nv.us>

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

Hello Jennifer,

Please find the dates and submissions.

Friday, May 30, 2025

Friday-Sunday May 30-June 2,2025

Tuesday, June 3, 2025

Monday June 6, 2025,

Friday, June 6, 2025

Wednesday 11, 2025

Wednesday 11, 2025

Draft FS with Audit Aje's

Finance & Audit Committee review

Draft FS for Public viewing in Civic Portal

Audit Committee Meeting-Review **Drafted** FS

Audited Financial Statements for Public viewing in Civic Portal

Board of Trustee Meeting-**Audited** Financial Statement

Submit **Audited** Financial Statement to State

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
May 25	26	27	28	29	30 Draft FS-Submission	31
Jun 1	2 Adopt Budget	3 Updated Draft FS	4	5	6 Audit Committee-Review Drafted FS option 2 Audited FS to Public for viewing	7
8	9	10	11 ACFR DUE BOT-Approve Audited FS	12	13	14

Jessica O'Connell
Director of Finance
893 Southwood Blvd.
Incline Village, NV 89451
775-886-1012





RE: FW: IVGID - It's Alleged Updated Central Services Cost Allocation Plan

From s4s@ix.netcom.com <s4s@ix.netcom.com>

Date Wed 6/4/2025 12:29 PM

To Patricia Olmstead <polmstead@tax.state.nv.us>

Cc Kelly S. Langley <klangley@tax.state.nv.us>; Chali Spurlock <CSpurlock@tax.state.nv.us>

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Thank you.

So did you put Chair Leavitt and the other honorable members of the CLGF on notice of the deficiencies noted in my e-mail? And the need for a special CLGF meeting now? And notify the Executive Director of the same?

Are those functions you perform in addition to "ensur(ing) the Dep't remains complaint and responsive to public inquiries?"

Aaron Katz

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

From: Patricia Olmstead <polmstead@tax.state.nv.us>

Sent: Jun 4, 2025 12:02 PM

To: s4s@ix.netcom.com <s4s@ix.netcom.com>

Cc: Kelly S. Langley <klangley@tax.state.nv.us>, Chali Spurlock <CSpurlock@tax.state.nv.us>

Subject: RE: FW: IVGID - It's Alleged Updated Central Services Cost Allocation Plan

Mr. Katz,

The Department relies on the Public Information Office to receive and track all communications from the public. This process ensures the Department remains compliant and responsive to public inquiries, while also promoting consistency in our communications.

Please send all communication to the taxpio@tax.state.nv.us.

Thank you,



Patricia Olmstead

Public Information Officer

Nevada Department of Taxation

9850 Double R Blvd.

Phone: 775-687-9998

Email: taxpio@tax.state.nv.us

Mailing Address:

3850 Arrowhead Drive

Carson City, NV 89706

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From: s4s@ix.netcom.com <s4s@ix.netcom.com>

Sent: Monday, June 2, 2025 4:36 PM

To: Kelly S. Langley <klangley@tax.state.nv.us>; Patricia Olmstead <polmstead@tax.state.nv.us>

Cc: Aaron Katz <s4s@ix.netcom.com>; Chali Spurlock <CSpurlock@tax.state.nv.us>

Subject: Re: FW: IVGID - It's Alleged Updated Central Services Cost Allocation Plan

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Kelly -

I'm not making a public records request.

I am speaking to the CLGF. Isn't Ms. Spurlock clerk of the CLGF? So why is it inappropriate to communicate with her on behalf of the CLGF?

I will attempt to keep Ms. Olmstead in the loop in the future. But when I have something to say to the Executive Director, or the CLGF, those are the ones to whom my comments are directed.

Thank you for your understanding.

So how about you do something now that IVGID has failed to submit a final budget in compliance with the NRS/NAC?

Thank you for your cooperation. Aaron Katz

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

From: Kelly S. Langley <klangley@tax.state.nv.us>

Sent: Jun 2, 2025 4:17 PM

To: Patricia Olmstead <palmstead@tax.state.nv.us>

Cc: Aaron Katz <s4s@ix.netcom.com>, Chali Spurlock <CSpurlock@tax.state.nv.us>

Subject: FW: IVGID - It's Alleged Updated Central Services Cost Allocation Plan

Mr. Katz,

As you have been informed numerous times, all communication needs to go through our Public Information Officer, Patricia Olmstead. I have forwarded on your email shown below.

Kelly S Langley,

Nevada Department of Taxation

Local Government Finance and Boards & Commissions

3850 Arrowhead Drive

Carson City, NV 89706

klangley@tax.state.nv.us

775.684.2073 Office

775.636.0101 Cell

***Notice:** Our new E-services have launched. Create a new log on or register your business today at [MyNevadaTax.nv.gov](https://mynevadatanv.gov). Instructional videos for My Nevada Tax can be found here: [How-to Videos for Nevada Tax - State of Nevada](#). Additional information can be found in the [FAQ section](#).

From: s4s@ix.netcom.com <s4s@ix.netcom.com>
Sent: Monday, June 2, 2025 3:59 PM
To: Chali Spurlock <CSpurlock@tax.state.nv.us>
Cc: Kelly S. Langley <klangley@tax.state.nv.us>
Subject: IVGID - It's Alleged Updated Central Services Cost Allocation Plan

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 and Ms. Langley -

The purpose of this e-mail is to alert the Dep't that IVGID continues to **not** comply with the law, appropriate regulations, and now its own policies. And also to ask the Executive Director to order hearings to determine whether a severe financial emergency exists in Incline Village/Crystal Bay. And to notify the Washoe County Board of Commissioners to hold hearings to determine the fate of IVGID given the District is obviously unable to properly manage itself [see NRS 318.515 for that authority].

Since the District is on fiscal watch, I ask you put Chair Leavitt and the other honorable members of the CLGF on notice of the deficiencies noted in this e-mail. And the need for a special CLGF meeting now. And I ask you notify the Executive Director of the same. And I ask these individuals be placed on notice now, and not sometime next month. Because the emergency exists now!

So now the last straw.

The District attempted to pass a final budget on May 30, 2025, and file it with the Dep't no later than June 1, 2025. But what it sent to the Dep't is **not** in compliance with law and appropriate regulations. Let me explain.

1. The May 30, 2025 meeting was a **special** rather than regular meeting of the IVGID BOT. I can send you a copy of the notice but you can go to the District's web site and confirm this fact for yourself.

2. The document filed with the Dep't which purports to be a final budget, relies upon \$4,050,500 of transfers from the District's Utility, Community Services and Beach Funds.

3. Accordingly, these transfers violate NRS 354.613 (which is unlawful) unless they are "for a cost allocation for employees, equipment or other resources related to the purpose of the enterprise fund(s) which is approved by the governing body under a nonconsent item that is separately listed on the agenda **for a regular meeting of the governing body.**"

4. This requires the District to adopt a formal central services cost allocation plan pursuant to NRS 354.8654.

5. Which according to NAC 354.8668(8) must be attested to in writing by its CFO.

6. But here staff failed to to present a proposed updated annual plan for the BOT to approve at its May 30, 2025 meeting. Take a close look at the packet of materials prepared by staff in support of that meeting and nowhere will the Dep't find such a plan.

7. And unbelievably, this plan that was not disclosed was approved by the BOT.

8. Which makes these transfers voidable because such plans are required to adopted via an tem that is separately listed on the agenda **for a regular meeting of the governing body.**" Take a look at the agenda for the May 30, 2025 meeting. First of all, although it does describe approval of an updated central services cost allocation plan as an agenda item, that item is **not** separately stated. Rather it is bundled together with 5 other budget related items.

9. But more pointedly, and second, the BOT's approval did **not** take place at a regular meeting of the IVGID BOT.

10. Given these transfers have **not** been approved in accordance with NRS 354.613, the proposed budget is **not** balanced. Which violates another NRS - NRS 354.723. As well as District policy [section 1.1 of Policy No. 6.1.0 - "Balanced Budget. The District shall adopt a process that defines a balanced operating budget, encourages commitment to a balanced budget under normal circumstances, and provides for disclosure when a deviation from a balanced operating budget is planned or when it occurs"].

11. And the budget as presented is not in compliance with the NRS/NAC. And since today is after June 1, 2025, the District has failed to adopt a FY 2026

12. Which means the Dep't needs to revert to the District's tentative budget which you know I informed the Dep't is **not** in compliance with the NRS/NAC. And for the record, the tentative budget was never approved by the IVGID BOT. Ms. O'Connell created it herself, based upon her throwing unsubstantiated numbers against the wall, and transmitted it to the Dep't. She asserted "no harm, no foul" because the BOT could always modify it prior to June 1, 2025.

13. Let's go to IVGID Policy No. 18.1.0. This policy states, in part, that "each budget year, the current Central Service Cost Allocation Plan **will be filed with the Nevada Department of Taxation** as required." Has this plan be filed with the Dep't? Because I'm certain it has not, because as I describe there is no plan, please demand Ms. O'Connell file that plan with the Dep't forthwithly. Because that's what IVGID policy instructs.

14. And while you're making demands on Ms. O'Connell, how about demanding she sign the written attestation to that plan which is mandated by NAC 354.8668(8), and that she file it with the Dep't as well? Because if she does this, she will be lying to the public and the Dep't. Which I believe will be criminal under NRS 354.626(1). Don't you get it that Ms. O'Connell intentionally refuses to sign an attestation and transmit it to the Dep't because if she does, she knows it will not be true?

15. And it's about time the Dep't starts holding these people liable for violating the NRS and NAC. Don't you agree?

14. And just so we're keeping score, you know that on May 2, 2025 the District was placed on fiscal watch. And as a result, the District is required to share whatever reports the Dep't requests. So how about demanding the District share its updated central services cost allocation plan which at the least hasn't been adopted because of the reasons stated above?

15. Because the District's transfers from its enterprise funds are unlawful, I ask the Dep't make request based upon NAC 354.8668(6) that the District provide a description of the methodology used to determine the allocation of costs and a schedule of the current billing rates for those costs.

16. Because the District's transfers from its enterprise funds are unlawful, I ask the Dep't make request based upon NAC 354.867(1)(d) that the District produce documentation in writing sufficient for independent verification that its central services cost allocation plan complies with NAC 354.865-354.867, inclusive.

17. The District's proposed FY 2026 budget sent to the Dep't identifies facility fees as "operating income." This is not true. According to the District, and if you want me to provide evidence I can, both facility fees reported in the Community Services and Beach enterprise funds are standby services charges for the mere availability to pay an add'l user fee and use public recreation facilities and the beaches. This is not operating income!

18. By definition standby service charges represent charges for the provider's delivery of services to **real property**. But the District delivers no services to the parcels which are involuntarily assessed. Which means the District admits its facility fees are not what it represents. So what are they?

19. The CLGF needs to conduct hearings on this very subject because if these facility fees are not valid, then we have a severe financial emergency.

20. And just so the Dep't knows, on May 30, 2025 the BOT budgeted for \$11,058,230 of facility fees. In contrast, it represents \$2,249,486. In other words these so called "fees," which are involuntarily assessed against all non-exempt property in Incline Village/Crystal Bay, represent **nearly five times** the *ad valorem* taxes the District has budgeted to receive as FY 2026 revenue.

21. The District's Community Services Fund reporting discloses receipt of \$1,233,150 in facility fee revenue for the current fiscal year. But for FY 2026, the amount increases by nearly 482% to \$5,947,920. Ad valorem taxes are limited to 3% annual increases. But involuntary facility fees can nearly quintuple in a single year and that's okay?

22. The District's Beach Fund reporting discloses receipt of \$2,328,600 in facility fee revenue for the current fiscal year. But for FY 2026, the amount increases by nearly 220%

to \$5,110,310. Ad valorem taxes are limited to 3% annual increases. But involuntary facility fees can more than double in a single year and that's okay?

23. Which brings me to NRS 354.613(2) now that you know the District has budgeted to increase both of these fees. NRS 354.613(2) instructs that "the governing body of a local government may increase the amount of any fee imposed for the purpose for which an enterprise fund was created **only if** the governing body **approves the increase under a nonconsent item that is separately listed on the agenda for a regular meeting of the governing body**, and the governing body determines that:

- (a) The increase is not prohibited by law;
- (b) The increase is necessary for the continuation or expansion of the purpose for which the enterprise fund was created; and
- (c) All fees that are deposited in the enterprise fund are used solely for the purposes for which the fees are collected.

24. You already know this agenda item was approved at special rather than regular meeting of the District's BOT. Which means the increase is **voidable**.

25. And since it's voidable, the District's proposed budget is not balance. And if not balanced, it can't be approved. And since June 1, 2025 has come and gone, the District's FY 2026 budget is not capable of being passed!

26. To go along with the fact that the District has **never** completed a FY 2023 audit in compliance with NRS 354.624(4) in that what it presented to the Department did not: "includ(e) findings on compliance with statutes and regulations," nor was it in compliance with those statutes and regulations, nor does did it include "an expression of opinion on the financial statements.

27. And that was after three (3) extensions because the District couldn't complete an audit within the statutory time limits.

28. And now we have the District's FY 2024 and we seem again, it has not been completed. In fact the District has had five (5) extensions, the last one being on May 6, 2024, and it's still not enough! The last extension was contingent upon submission of that annual audit to the District's BOT for its approval **no later than June 4, 2025**, and submission to the Department no later than June 11, 2025. As I previously predicted and now we know certain, the District will not be able to approve a FY 2024 audit by June 4, 2025. We know this because the Open Meeting Law requires at least three business days' notice of BOT meetings and **none** has been given for a meeting either tomorrow or June 4, 2025.

29. Residents of Incline Village are tired of hearing the District's lame excuses. At some point in time it needs to learn that the CLGF is serious because so far, the BOT considers the Dep't a laughing stock.

30. Word has it the reason for the current delay, are staff's efforts to get the District's auditor to change its FY 2023 disclaimer of opinion. Which isn't going to happen!

31. In fact, speaking of auditors, the District has still **not** designated a FY 2025 auditor or firm, nor sent the Dep't notification of the auditor or firm within 3 months (March 30, 2025) before the close of the fiscal year (2025) for which the audit is to be made. As NRS 354.624(3) mandates.

32. Doesn't the CLGF think it's time to step in and designate a FY 2025 auditor on the District's behalf? Who won't play games the way the District's current auditor has?

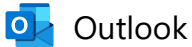
33. What more does it take? NRS 354.685(1) instructs that "the CLGF may, upon the recommendation of the Executive Director...conduct one or more hearings to determine whether a severe financial emergency exists in a local government." I ask that the Executive Director so direct the CLGF in order to protect the residents and local parcel owners of Incline Village/Crystal Bay.

If such a hearing is ordered, the public will be able to present evidence that

- (a) The District's facility fee increases are prohibited by law;
- (b) They are not necessary for the continuation or expansion of the purposes for which the enterprise funds from which the District takes were created; and
- (c) All facility fees that are deposited in the District's enterprise funds are used solely for the purposes for which the fees were collected.

Rather, they represent nothing more than the financial shortfall between budgeted revenues and intentional overspending so the District can disingenuously assert a balanced budget.

Thank you, Aaron Katz



Outlook

Request The Executive Director Notify The Washoe County Board of Commissioners

From s4s@ix.netcom.com <s4s@ix.netcom.com>

Date Wed 6/4/2025 1:36 PM

To Patricia Olmstead <polmstead@tax.state.nv.us>

Cc Kelly S. Langley <klangley@tax.state.nv.us>; Chali Spurlock <CSpurlock@tax.state.nv.us>

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

Thank you Ms. Olmstead:

Based upon NRS 318.515(1), I ask the Executive Director to notify the Washoe County Board of Commissioners that:

- (a) A district of which the board of county commissioners is not the board of trustees is not being properly managed;
- (b) The board of trustees of the district is not complying with the provisions of this chapter or with any other law; and as a result,

the board of county commissioners of the county in which the district is located shall hold a hearing to consider the notification.

And can you please confirm that this request has been passed on to the Executive Director?

Thank you for your cooperation. Aaron Katz

Request The Executive Director Order Public Hearings

From s4s@ix.netcom.com <s4s@ix.netcom.com>

Date Wed 6/4/2025 1:37 PM

To Patricia Olmstead <polmstead@tax.state.nv.us>

Cc Kelly S. Langley <klangley@tax.state.nv.us>; Chali Spurlock <CSpurlock@tax.state.nv.us>

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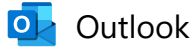
Thank you Ms. Olmstead:

Based upon NRS 354.685(1), I ask the Executive Director recommend to the CLGF that the latter conduct one or more hearings to determine whether a severe financial emergency exists in a local government (IVGID). Given one or more of the following conditions exist:

- (a) Required financial reports have not been filed or are consistently late;
- (e) IVGID has not corrected violations of statutes or regulations adopted pursuant thereto as noted in an audit report only because IVGID has not received an audit report in compliance with laws and regulations for either FY 2023 or 2024, and IVGID's auditor refuses to include findings in compliance with statutes or regulation because its engagement letter expressly excludes such findings placing the responsibility upon IVGID management;
- (f) IVGID has serious internal control problems noted in the audit report which have not been corrected;
- (i) IVGID has borrowed money without following the provisions of NRS or regulations adopted pursuant thereto;
- (j) IVGID has failed to correct problems after it has been notified of such problems by the Department;
- (p) IVGID has recognized sizeable losses as a result of the imprudent investment of money;
- (q) IVGID has allowed its accounting system and recording of transactions to deteriorate to such an extent that it is not possible to measure accurately the results of operations or to ascertain the financial position of the local government without a reconstruction of transactions;
- (s) IVGID has loaned and borrowed money between funds without following the proper procedures;
- (t) IVGID has expended money in violation of the provisions (see NRS 205.380 and 205.377) governing the expenditure of that money;
- (u) Money restricted for any specific use has been expended in violation of the terms and provisions (see NRS 205.300) relating to the receipt and expenditure of that money.

And can you please confirm that this request has been passed on to the Executive Director?

Thank you for your cooperation. Aaron Katz




Outlook

IVGID - financials for 2024

From cfdobler@aol.com <cfdobler@aol.com>

Date Wed 6/11/2025 9:03 AM

To Kelly S. Langley <klangley@tax.state.nv.us>

 1 attachment (17 KB)

Public Comment.docx;

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

On Monday the audit committee review of the financials was a site to behold. Trying to finesse what to send off to you with most data being incomplete.

Still a complete package is not done as of this writing.

The report if sent to you will be poor.

They need more time.

My history on a past audits. Be complete.

I attach my comments for tonight.

Something may change they still have 7 hours.

Take a look at the agenda items if you want to see a hodge podge.

Will be at your next meeting with the committee

Cliff Dobler

Public Comment – 6-11-2025 IVGID Boad Meeting by Clifford F. Dobler.

Substance over form

- It means that financial statements should reflect the true economic substance of a transaction, even if the legal documents suggest a different arrangement.
- The goal is to provide a true and fair view of a company's financial position and performance, preventing misleading representations.
- Accountants should exercise judgment to understand the underlying business purpose and present it accurately in the financial statements

Moss Adams January 2021- 4 areas which have not been corrected.

Rubin Brown – 14 arears of a high risks of fraud

Davis Farr

We identified certain deficiencies in internal control that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

Baker Tilly – How much cash

All engaged to discover and report poor accounting.

Staff and Board Members rejected finding and for what purpose.

Over 4 years Prior Period Adjustments of \$7.4 million to write off capital assets to expense. My memos are still not reviewed.

Disclaimers and now Qualified Opinions

Internal Controls - Significant Risks Identified

- Risk of revenue cutoff errors due to the prior year disclaimer of opinions
- Risk of errors recording capital assets
- Noncompliance with federal grant programs
- Fraud risk identified by the forensic due diligence audit.
-
- Uncorrected Misstatements -could cause future-period financial statements to be materially misstated. There is said to be a schedule but not included.

Note 17 – Commitments affecting future periods - Major mistake in disclosing contracts outstanding.. Largest being the effluent pipeline second phase for \$46,745,000



Re: IVGID - It's Alleged Final FY 2024 ACFR - Follow Up

From s4s@ix.netcom.com <s4s@ix.netcom.com>

Date Fri 6/13/2025 9:13 AM

To Chali Spurlock <CSpurlock@tax.state.nv.us>; Patricia Olmstead <polmstead@tax.state.nv.us>

Cc Kelly S. Langley <klangley@tax.state.nv.us>

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 and Ms. Langley -

Yesterday I wrote to you (see below) objecting to the draft (rather than final) FY 2024 financial statements, and the lack of a management representation letter allegedly attached to the undated DavisFarr management letter included in those attempted filings with the Dep't.

Given NRS 354.624(6) instructs that "**immediately**...after [presentation of the entire report ('the opinion and findings of the auditor contained in the report of the audit')], together with the management letter required by generally accepted auditing standards in the United States or by regulations adopted pursuant to NRS 354.591, (it) **must be filed as a public record** with: (a) The clerk or secretary of the governing body," yesterday morning I made request upon the IVGID Board's secretary, Heidi White, to examine these documents which had allegedly been filed. Initially I was provided with nothing other than evidence of my having filed a formal public records request under NRS 239.0107. When I objected, I was provided with with the draft documents sent to the Department at 9:44 A.M. the evening of June 11, 2024 (referenced below). In other words, no management representation letter even though the DavisFarr management letter provided expressly references an allegedly attached management representation letter.

Given these documents in my view don't satisfy the requirements of NRS 354.624(6), or if alternatively they do, at the very least they are incomplete, I demanded Ms. White make the required documents available for my examination no later than noon (on June 12, 2025). Nothing more was provided. In fact, through and including the date and timing of this follow up e-mail, nothing more has been provided.

...

Additionally I have gone to the District's web site where this report would have been published if it were ready for publishing (<https://www.yourtahoeplace.com/about-ivgid/financial-transparency/annual-comprehensive-financial-report/>), and **nothing** has been published. Even though NRS 354.624(7(d) instructs that "after the report of the audit is filed by the local government, the report of the audit, including, without limitation, the opinion and findings of the auditor contained in the report of the audit, may be disseminated by or on behalf of the local government for which the report was prepared by inclusion, without limitation, in or on...(d) a website maintained by a local government on the Internet."

So on top of every other wrong I have brought to the Department's attention, is this your idea of the proper filing of the final FY 2024 audit as a public record?

Please provide a copy of this communication to Chairperson Leavitt, other honorable members of the CLGF and Executive Director Hughes. Thank you for your cooperation.

Aaron Katz

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

From: <s4s@ix.netcom.com>

Sent: Jun 12, 2025 10:09 AM

To: <CSpurlock@tax.state.nv.us>, Patricia Olmstead <polmstead@tax.state.nv.us>

Cc: <klangley@tax.state.nv.us>

Subject: IVGID - It's Alleged Final FY 2024 ACFR

Hello Ms. Spurlock and Ms. Langley -

I am in receipt of the e-mail and attachments sent to you last evening at 9:44 P.M. by Jessica O'Connell insofar as the District's FY 2024 ACFR.

I take exception because they do not comply with NRS 354.624.

What does Ms. O'Connell tell you she has submitted? "Draft Financials...Management Representation letter will be included in Final Financial Statements."

Does not NRS 354.624(6) instruct that "the...entire (**final**)...opinion and findings of the auditor contained in the report of the audit...together with the management letter required by generally accepted auditing standards in the United States or by regulations adopted pursuant to [NRS 354.594](#), must be filed as a public record with...the Department of Taxation?"

She hasn't complied! The public demands the final financials. Not draft ones Ms. O'Connell admitted yesterday the District was still working on. Furthermore, where is "the management letter required by GAAS?" That's NOT the "management representation letter" to which she refers. And even if it were, **where is it?**

The Dep't's last extension grant mandated that final audited financials be presented to the IVGID Board no later than June 4, 2025. And since these financials still haven't been created, let alone presented to the IVGID Board, that's supposed to be compliance? These people are so committed to slapping together something, by the extended submittal date to the Dep't, rather than the truth, and you don't make a peep?

I'm going to have more to say about these financials once we have final versions as the District has complied with its requirements under the NRS and as imposed by the Department. However for now, the District has still not complied! Please provide a copy of this communication to Chairperson Leavitt, other honorable members of the CLGF and Executive Director Hughes.

Thank you, Aaron Katz



NOTICE OF A SPECIAL MEETING

The Special Meeting of the Incline Village General Improvement District (IVGID) Board of Trustees will be held Starting at 5:00 PM on April 14, 2025, in the Boardroom, 893 Southwood Boulevard, Incline Village, Nevada.

Public Comment

Public comment is welcomed during Public Comment Periods and is Limited to 3 minutes per person per Public Comment Period. Unused time may not be allocated to other speakers. A speaker's viewpoint will not be restricted; however, reasonable restrictions may be imposed upon the time, place, and manner of speech. Irrelevant statements, unduly repetitious statements, and personal attacks that would objectively antagonize or incite others are examples of speech that may be reasonably limited. Not to include comments on General Business items with scheduled public comments. The Board of Trustees may address matters brought up during public comments at the conclusion of the comment period but may not deliberate on any non-agendized item.

Members of the Public are welcome to provide Public Comment by Telephone at (877) 853-5247 and in the Civic Plus Portal at <https://ivgid.portal.civicclerk.com/event/659/overview> (the Webinar ID will be Posted to the District Website on the Day of the Meeting). The Meeting will be Available for viewing at <https://ivgid.portal.civicclerk.com/>.

A. PLEDGE OF ALLEGIANCE*

B. ROLL CALL OF TRUSTEES*

C. **INITIAL PUBLIC COMMENTS** *Public comments are welcomed during Public Comment Periods and are limited to 3 minutes per person per Public Comment Period. Unused time may not be allocated to other speakers. A speaker's viewpoint will not be restricted; however, reasonable restrictions may be imposed upon the time, place, and manner of speech. Irrelevant statements, unduly repetitious statements, and personal attacks that would objectively antagonize or incite others are examples of speech that may be reasonably limited. Not to include comments on General Business items with scheduled public comments. The Board of Trustees may address matters brought up during public comments at the conclusion of the comment period but may not deliberate on any non-agendized item. Members of the public are welcome to provide public comments by telephone at (877) 853-5247 and in the Civic Plus Portal at <https://ivgid.portal.civicclerk.com/> (the Webinar ID will be posted to the District Website on the day of the Meeting). The meeting will be available for viewing at <https://ivgid.portal.civicclerk.com/event/659/overview>.*

D. **APPROVAL OF AGENDA** *(for possible action)*
The Board of Trustees may make a motion for a flexible agenda, which is defined as taking items on the agenda out of order; combining agenda items with other agenda items; removing items from the agenda; moving agenda items to an agenda of another meeting or voting on items in a block.
-OR- *The Board of Trustees may make a motion to accept and follow the agenda as submitted/posted.*

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

1. **SUBJECT:** Review, Discuss and Approve Additional Play Pass Options along with season Pass Sales Incentives and Rate Adjustment to the Pricing of the PM Season Pass. (Requesting Staff Member: Senior Head Golf Professional Rob Bruce)

Recommendation for Action: That the Board of Trustees make a Motion to Approve the Additional Play Pass options along with the Season Pass Incentives and Price update to the PM Season Pass for the 2025 Season.

2. **SUBJECT:** Review, discuss and approve the District's Tentative Budget as filed on Nevada State Form 4404LGF. (Requesting Staff Member: Director of Finance Jessica O'Connell)

Incline Village General Improvement District

Incline Village General Improvement District is a fiscally responsible community partner which provides superior utility services and community-oriented recreation programs and facilities with passion for the quality of life and our environment while investing in the Tahoe basin.

893 Southwood Boulevard, Incline Village, Nevada 89451 • (775) 832-1100 • EMAIL: info@ivgid.org

www.yourtahoeplace.com

NOTICE OF A SPECIAL MEETING

Agenda for the Board Meeting of April 14, 2025 - Page 2

Recommendation for Action: That the Board of Trustees make a Motion to Approve the District's Tentative Budget as filed on Nevada State Form 4404LGF.

- F. FINAL PUBLIC COMMENTS - Limited to a maximum of three minutes in duration.
- G. ADJOURNMENT (for possible action)

CERTIFICATION OF POSTING OF THIS AGENDA

I hereby certify that on or before 9:00 AM on Wednesday, April 9, 2025, a copy of this agenda (IVGID Board of Trustees Session of April 14, 2025) was delivered to the post office addressed to the people who have requested to receive copies of IVGID's agendas; copies were e-mailed to those people who have requested; and a copy was posted, physically or electronically, at the following locations in accordance with Assembly Bill 213:

1. IVGID Anne Vorderbruggen Building (893 Southwood Boulevard, Incline Village, Nevada; Administrative Offices)
2. IVGID's website (www.yourtahoeplace.com/ivgid/board-of-trustees/meetings-and-agendas)
3. IVGID's CivicPlus Portal (<https://ivgid.portal.civicclerk.com/>)
4. State of Nevada public noticing website (<https://notice.nv.gov/>)
5. IVGID's Recreation Center (980 Incline Way, Incline Village, Nevada)

Persons may request copies of all agenda Materials by contacting the District Clerk or by visiting the Administrative Offices at the address listed above.

/s/ Heidi H. White

Heidi H. White

District Clerk (e-mail: hwh@ivgid.org/phone # 775-832-1268)

IVGID Board of Trustees: Board Chair Michaela Tonking, Vice-Chair Michelle Jezycki, Treasurer Mick Homan, Secretary Dave Noble and Trustee Raymond Tulloch

Notes: Items on the agenda may be taken out of order; combined with other items; removed from the agenda; moved to the agenda of another meeting; moved to or from the Consent Calendar section; or may be voted on in a block. Items with a specific time designation will not be heard prior to the stated time but may be heard later. Those items followed by an asterisk (*) are items on the agenda upon which the Board of Trustees will take no action. Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to call IVGID at 832-1100 at least 24 hours prior to the meeting. ***IVGID'S agenda packets are available at IVGID's website, www.yourtahoeplace.com; go to "Board Meetings and Agendas".***

Incline Village General Improvement District

Incline Village General Improvement District is a fiscally responsible community partner which provides superior utility services and community-oriented recreation programs and facilities with passion for the quality of life and our environment while investing in the Tahoe basin.

893 Southwood Boulevard, Incline Village, Nevada 89451 • (775) 832-1100 • EMAIL: info@ivgid.org

www.yourtahoeplace.com



FW: IVGID's auditor - violation of NRS 354.624

From Tax-Public Information Officer <taxpio@tax.state.nv.us>

Date Fri 6/13/2025 9:39 AM

To Kelly S. Langley <klangley@tax.state.nv.us>

Hi Kelly,

Do you think we need to send this to our DAG?

From: J <j.gumz1@gmail.com>

Sent: Friday, June 13, 2025 9:28 AM

To: Chali Spurlock <CSpurlock@tax.state.nv.us>; Kelly S. Langley <klangley@tax.state.nv.us>; Tax-Public Information Officer <taxpio@tax.state.nv.us>; Shellie Hughes <shughes@tax.state.nv.us>

Subject: IVGID's auditor - violation of NRS 354.624

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

This is a formal notice of a statutory violation involving the Incline Village General Improvement District (IVGID) and its auditor, Davis Farr LLP. Please confirm receipt and distribution to all Local Govt Finance Committee members.

NRS 354.624 requires that audits of local governments in Nevada be conducted by a CPA or firm "**registered**" pursuant to chapter 628 of NRS." Davis Farr LLP, which has served as IVGID's auditor, is not currently registered with the Nevada State Board of Accountancy as required by law.



Nevada State Board of Accountancy

Nevada CPA Licensee Information

Business Name	DAVIS FARR LLP
City	IRVINE
State	CA
Has Disciplinary Action Occured?	No

License Number	PART-0862
License Type	Partnership
License Issue Date	09/21/2015
License Expiration Date	06/30/2023
License Status	Inactive

License Status Definition:

Inactive - The licensee may not engage in the practice of public accountancy or any other financially related activities until reinstatement to Active Status has been approved.

Supporting Facts:

- Davis Farr LLP issued a "Disclaimer of Opinion" for IVGID's FY2022-23 audit. Davis Farr WAS NOT PROPERLY REGISTERED AT THE TIME - this was a violation of NRS 354.624.
- Public records indicate Davis Farr's Nevada registration lapsed 6-30-2023.
- IVGID has failed to designate a new auditor as of the statutory deadline (March 31, 2025), as required by NRS 354.624(3).
- Despite this, IVGID continues to submit audit documents to the Department of Taxation as if they were completed in compliance with state law.

Request for Action:

- I request that the Department of Taxation take appropriate action, including rejecting any audit submissions not conducted by a properly registered firm and requiring IVGID to engage a compliant auditor.
- Please also clarify for the public and for IVGID the statutory requirements for audit firm registration to prevent future violations. It is apparent that NASBA is providing INACCURATE INFORMATION: https://www.alllibrary.com/license/list_license?id=32

Inaction is complicity in not following Nevada law.

J. Gumz

Kelly S. Langley

From: J <j.gumz1@gmail.com>
Sent: Monday, July 28, 2025 1:44 PM
Cc: Patricia Olmstead; CSpurlock@tax.state.nv.us; Kelly S. Langley
Subject: Re: IVGID Again - Continued Non-Compliance With Statutes/Regulations

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Please distribute to all committee members

The Fundamental Fraud

What Aaron Katz has identified as "theft" is actually much worse - it's a systematic bond fraud that has been operating since 1968. Here's what really happened:

The Timeline of Deception

1961-1968: The Setup

- IVGID issued 19 legitimate special assessment projects with proper special assessment districts
- By 1968, IVGID reached its **maximum legal limit** for special assessment bond capacity
- Faced with this legal barrier, IVGID chose fraud over compliance

1968: The First Major Fraud

- IVGID issued **special assessment bonds** without creating the required **special assessment district**
- CUSIP Global Services properly categorized these as "SPECIAL ASSESSMENT LIMITED TAX" bonds. CUSIP GS is the standards body for financial instrument identifiers.
- But IVGID never followed NRS requirements to establish the assessment district
- **This made the bonds legally invalid from inception**

1976: Doubling Down on Fraud

- Instead of fixing the 1968 violation, IVGID **refunded those illegal bonds in 1976**
- Issued **even more special assessment bonds** - again without proper assessment districts
- Continued the fraud while expanding the scope

The Legal Requirements IVGID Ignored

What NRS 318.235 Actually Requires

For any special assessment, Nevada law mandates specific procedures:

- Formal creation of a special assessment district
- Proper notice to affected property owners
- Public hearing process
- Resolution establishing the district boundaries
- Compliance with assessment calculation methods

What IVGID Did Instead

- Levied charges directly on parcels without creating assessment districts
- Misrepresented these charges as "fees" under NRS 318.197
- **Problem:** NRS 318.197 contains **no authority** for per-parcel or per-dwelling-unit charges
- Created a fake legal justification for what should have been properly assessed charges

The "Standby Service Fee" Scam

The False Justification

IVGID claims these charges are "standby service fees" for recreation facilities, but:

- **No legal authority** exists in NRS 318.197 for such fees
- Recreation facilities are **not utilities** requiring "standby" capacity
- Parcels have **no physical connection** to these facilities
- The "standby" concept doesn't apply to golf courses, ski resorts, or beaches

The Real Purpose

These fake "fees" actually service the **illegal special assessment bonds** issued without proper districts.

IVGID created a fake legal framework to continue collecting money for invalid bonds while avoiding the legal requirements that would have limited their ability to extract funds from property owners.

The Bottom Line

This is actually **systematic securities and assessment fraud** spanning over 50 years:

1. **1968-present:** Operating under invalid special assessment bonds
2. **1968-present:** Collecting fake "fees" without legal authority
3. **Recent years:** Using fraudulent budget practices to create slush funds
4. **2025:** Violating fiscal watch requirements and transparency laws

This isn't just mismanagement - it's a **criminal enterprise** disguised as a public utility, funded by invalid bonds and unauthorized assessments, operating in violation of Nevada law for over half a century.

You will all be famous - because this is the longest running fraud in US local government history.

On Mon, Jul 28, 2025 at 1:13 PM <s4s@ix.netcom.com> wrote:

Hello Ms. Olmstead -

Please share the contents of this e-mail with Chair Leavitt and the Other Honorable Members of the CLGF.

Chair Leavitt -

As the CLGF knows I am a resident of and parcel owner in Incline Village. And since IVGID is on fiscal watch, one would be expecting the CLGF is "watching" to ensure the District is in compliance with statutes/regulations. But I guess such expectation is unwarranted. So I have to be the one.

As the CLG knows,

;

NRS 354.5945(1) instructs that "each local government shall annually prepare, on a form prescribed by the Department of Taxation for use by local governments, a capital improvement plan ('CIP') for the fiscal year ending on June 30 of that year and the ensuing 5 fiscal years."

NRS 354.6025 instructs that "each local government shall submit to the Department of Taxation, annually, an itemized report showing all its outstanding indebtedness."

NRS 354.5945(2)(a) instructs that such CIP shall be "submit(ed)...to the Department of Taxation...on or before August 1 of each year."

NRS 354.5945(3)(a) instructs that such CIP shall be "file(d)...in the offices of the clerk or secretary of the governing body...(as a) public record and (for) inspection by the public."

In the packet of materials ("Board packet") prepared by staff in anticipation of the BOT's upcoming meeting of July 30, 2025, an unelected staff member (Jessica O'Connell) reports (see <https://ivgid.portal.civicclerk.com/event/581/files/attachment/3212>) she has submitted the plan and report identified above to the Department. The problems with this are at least twofold. First, she hasn't included copies of either in the Board packet for the Board and public to see. And second, neither has been presented to the BOT for approval, nor has either been approved by the BOT, prior to submission to the Department.

Such reports in prior years have been quite extensive, and always presented to the BOT for approval prior to submission to the Department of Taxation. But not now. And August 1 is nearly here,.

And notwithstanding the CIP must be made available for public inspection as a public record, this morning I made request to the Clerk of the BOT to inspect not only FY 2026's CIP, but FY 2021-2025's as well. So far my request has been ignored, and I fully expect it will be treated as a NRS 239.0107 request and examination delayed for some period of time beyond July 30, 2025.

So here the CLGF has evidence of two more NRS violations. At a time when the District is on fiscal watch.

And the consequence is exactly what?

And why should any of us care?

Because I believe they evidence theft. Which the Washoe County Sheriff and District Attorney refuse to investigate/prosecute.

What am I talking about?

1. As I and others have brought to the attention of the CLGF, IVGID's intentional overspending is covered by a special tax against property it disingenuously calls a fee. A standby service fee which has never been construed to apply to the availability of recreation facilities, let alone those neither fiscally connected nor available to be connected to those parcels which are involuntarily assessed.

2. The justification for this fee is the District's BOT's representation proceeds are needed to pay for the repair, renovation or replacement of facilities believed to be identified in the CIP referenced above.

3. But they're not needed because they're not used for the purposes represented.

4. Which at the end of the fiscal year, leaves appropriated monies unspent.

5. Which rather than being returned to the owners of those parcels who have been compelled to make payment, revert to the net positions of the enterprise funds to which they were assigned. Which in part explains how those net positions have been allowed to grow in size over the last number of years.

6. Then in the year or years which follow, the BOT will again budget for completion. And rather than applying the previous budgeted funds which local parcels have already paid, they will be appropriated again. Allowing the slush fund which has been created to be available to be used on the future unidentified, unbudgeted, and/or unappropriated pet projects of future BOTs.

7. And that's what we have for approval on July 30, 2025. A skateboard park and Burnt Cedar Beach reconstructed diesel storage tank.

Before you take IVGID off fiscal watch, because now they've finally been able to pass a FY 2024 ACFR and FY 2026 budget, and find an auditor for the 2025 ACFR, perhaps you should conduct an investigation insofar as the theft to which I refer?

Respectfully, Aaron Katz

Kelly S. Langley

From: s4s@ix.netcom.com
Sent: Monday, July 28, 2025 1:13 PM
To: Patricia Olmstead
Cc: CSpurlock@tax.state.nv.us; Kelly S. Langley
Subject: IVGID Again - Continued Non-Compliance With Statutes/Regulations

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Respectfully, Aaron Katz

From: s4s@ix.netcom.com
To: [Patricia Olmstead](#)
Cc: [Kelly S. Langley](#)
Subject: Re: Fw: Public Record Request - IVGID - Its FY 2026 Central Services Cost Allocation Plan, Increased Enterprise Fund Rates and Charges Improperly Adopted, Noncompliance With Statutes and Regulations
Date: Friday, August 15, 2025 2:34:35 PM
Attachments: [image001.png](#)
[image002.png](#)

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

Thank you Ms. Olmstead -

Are you looking Kelly Langley?

Do you care what the law says?

Take a look at Mr. Harrison's rates and charges memo given to me by Ms. Olmstead. His words. Not mine.

1. Rec Fee per parcel for 2024-25. A combined \$450.
2. Rec Fee per parcel for 2025-26. A combined \$1,375.
3. In other words, a more than 200% increase in a single year! Because unlike an ad valorem tax, the Rec Fee can be increased as high as BOT members are willing to go. There are no limits.
4. Assigned to two District enterprise funds.
5. At a special rather than regular meeting of the IVGID BOT.
6. An alleged standby service charge for the mere availability for those real properties which are assessed to access and use public recreation and beach facilities. Not a facility fee. But rather, exactly what I have described.

And consider the following:

7. The District has not sent the Dep't its Resolution 1917, nor the NRS 318.201(1) report incorporated therein. If it had, or if you made request therefore from the District, you would learn that what I represent is fact.

8. Does anyone at the Dep't know what a standby service charge for the availability of service (and not facilities) really is? Does anyone know how it differs from what the District tells the public the Rec Fee really is? Don't you think you need to find out? Why don't you ask the Deputy Attorney General assigned to the Dep't?

9. Now consider the District's admissions. Namely, that IVGID's Rec Fee is the product of non-exchange transactions. Because those whose properties are assessed realize nothing of special benefit in consideration of forced payment. As I've pointed out to you and Chair Leavitt, IVGID's 2024 ACFR makes this admission. As did its previous auditor, Jennifer Farr. As did its auditor before Ms. Farr, Dan Carter. As did consultant Moss-Adams.

10. How many times do you have to hear professionals tell you what IVGID's Rec Fee really is, before you get the message?

11. Now go to GASB 33. Doesn't this tell the Dep't what non-exchange transactions represent? Isn't it clear they don't represent what District staff tell the public they do? What more do you need to see?

12. Now let's go to IVGID's latest ACFR. Where are findings of compliance with law and regulations? Doesn't this omission mean the District hasn't complied with the requirements of NRS 354.624(4)? Given this NRS instructs that:

(a) Each annual audit must...be a financial audit conducted in accordance with generally accepted auditing standards in the United States, **including findings on compliance with statutes and regulations;**" and,

(b) NRS 354.624(1) instructs that "if the local government fails to provide for an audit **in accordance with the provisions of this section**, the Department of Taxation shall cause the audit to be made at the expense of the local government."

13. And does anyone on the CLGF care that IVGID is financially surviving **only** because it's stealing over \$11.3M annually from its approximate 8,264 local parcel owners? Take away this invalid special tax against property, and the District is insolvent!

14. All at a time when it is under "fiscal watch." Is anyone at the CLGF watching?

Mr. Harrison's memo was contributed to by Jessica O'Connell. This is the same person who willfully refused to put her signature to a written attestation to the District's so called central service cost allocation plan in clear violation of NAC 354.8668(8). And didn't she only recently come up with a "so called" plan 19 days **after** she bamboozled IVGID's BOT into approving a plan members never even saw? Because it hadn't been created.

At a special meeting of IVGID's BOT no less. When NRS 354.613(1)(c) mandates it take place at a regular meeting. And all of this is supposed to be in compliance with the NRS/NAC?

Essentially nothing these people do is in compliance with statutes and regulations.

Which means the IVGID BOT is not capable of properly managing the District. Which means Executive Director Hughes should be initiating proceedings:

(a) To notify the Washoe County Board of Commissioners requesting they initiate hearings pursuant to NRS 318.515(1);

(b) To declare a "severe financial emergency" in Incline Village/Crystal Bay; and,

Seeking criminal prosecution under NRS 354.626(1). Against District BOT members as co-principals (NRS 195.020) and/or accessories (NRS 195.030).

How about sharing this e-mail with Executive Director Hughes, CLGF Chair Leavitt, and the remaining members of the CLGF? In the hope they'll do something.

Thank you for your cooperation, Aaron Katz

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

From: Patricia Olmstead <polmstead@tax.state.nv.us>

Sent: Aug 15, 2025 11:50 AM

To: s4s@ix.netcom.com <s4s@ix.netcom.com>

Cc: Kelly S. Langley <klangley@tax.state.nv.us>

Subject: Fw: Public Record Request - IVGID - Its FY 2026 Central Services Cost Allocation Plan

Mr, Katz,

Your email and documents have been forwarded to Director Hughes and Chairman Leavitt.

Sincerely,

Patricia Olmstead

Public Information Officer

Nevada Department of Taxation

9850 Double R Blvd.

Phone: 775-687-9998



Email: polmstead@tax.state.nv.us

Mailing Address:

3850 Arrowhead Drive

Carson City, NV 89706

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From: s4s@ix.netcom.com <s4s@ix.netcom.com>

Sent: Wednesday, August 13, 2025 12:04 PM

To: Patricia Olmstead <polmstead@tax.state.nv.us>; Patricia Olmstead <polmstead@tax.state.nv.us>

Cc: Kelly S. Langley <klangle@tax.state.nv.us>

Subject: Fw: Public Record Request - IVGID - Its FY 2026 Central Services Cost Allocation Plan

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

Hello Ms. Olmstead and Ms. Langley -

Please pass this e-mail and attachments onto Executive Director Hughes and CLGF Chair Leavitt, **now** rather than later, in the hope **the CLGF calls a special meeting to deal with the following** (isn't it time to conduct hearings to declare a "severe financial emergency?" To protect the local parcel owners of Incline Village/Crystal Bay who are being prejudiced). And will you please acknowledge back to me that you've passed on this e-mail and attachments as I have requested?

As the CLGF knows, I have accused IVGID staff of massive theft at local parcel owners' expense. And here I'd like to share some evidence about what I'm talking about. In the hope the CLGF will do something.

It's called NRS 354.613(1) central service cost transfers from three of the District's enterprise funds (Utility, Community Services and Beach) to its General Fund. Which according to me covers the financial shortfall between budgeted revenues and intentional overspending assigned to the District's General Fund. And in this regard, the 4 District Trustees who formally approved these transfers are co-principals (see NRS 195.020) and/or accessories (see NRS 195.030).

So let's deal with facts. As the CLGF can see below, I previously asked the Department's public records officer ("PRO") to examine "the central services cost allocation plan adopted by IVGID for FY 2026" on May 30, 2025. And how did she respond? As the CLGF can see below, three documents were provided which are included in this e-mail. What I find most interesting, and I will discuss it below, is the spreadsheet captioned "summary of allocations." And what's so interesting? The info detail of the document discloses it was not even created until June 18, 2025. Which was nearly 3 weeks **after** the IVGID BOT actually approved the plan on May 30, 2025. In other words neither this document nor the figures contained therein were shared with the IVGID BOT prior to the latter's approval of this so called Plan. And again, to prove this assertion, here is the packet of materials presented to the BOT (go to <https://ivgid.portal.civicclerk.com/event/646/overview>) prior to its formal adoption of the so called Plan.

And to put matters into perspective, it's my position no proposed central service cost allocation plan was presented to the IVGID BOT for approval on May 30, 2025. So on May 31, 2025 I made a formal public records request with IVGID to examine that so called Plan. In part I asked as follows: "2. At yesterday's BOT meeting, the BOT approved and adopted an updated central services cost allocation 'plan' that charges \$4.05 million annually to the Utility, Community Services, and Beach Funds. Since the District is required to approve a written plan, and you know it's my position staff never presented such writing to the BOT for approval, I would like to examine the written 'plan' which was **actually** approved." This request was assigned Public Records Request ("PRR") 25-47, and it can be examined in full at <https://ivgid.nextrequest.com/requests/25-47>.

So you see, the only reason Jessica O'Connell prepared the "summary of allocations" attached to this e-mail, is because of my PRR! That's why my request to Ms. Olmstead asked for written communications between anyone at the Dep't and anyone at IVGID accompanying and in any way referring to IVGID's central service cost allocation plan. And why so far, **none** have been provided!

Moreover, what's interesting to me is that the records the subject of my PRR 25-47 have still not been provided (this can be confirmed at <https://ivgid.nextrequest.com/requests/25-47>). Even though 2-1/2 months have elapsed, and NRS 239.0107(1) instructs that they were supposed to have been made available for my examination, assuming they actually existed, within five (5) business days of my request ("not later than the end of the fifth business day after the date on which the person who has legal custody or control of a public book or record of a governmental entity receives a written or oral request from a person to inspect, copy or receive a copy of the public book or record, a governmental entity

shall do one of the following, as applicable...If a public book or record of a governmental entity is readily available for inspection or copying, the person who has legal custody or control of the public book or record shall allow a person who has submitted a request to inspect, copy or receive a copy of a public book or record **as expeditiously as practicable**". Yes NRS 239.0107(1)(c)(1) allowed the District to "provide to the person, **in writing**, notice of the fact that it (wa)s unable to make the public book or record available by that date," it was also required to provide "the earliest date and time after which the governmental entity reasonably believe(d) the (requested) public book or record w(ould) be available for the person to inspect or copy or after which a copy of the public book or record w(ould) be available to the person." However here, **IVGID did none of this**. It just hasn't provided the requested books and records! And like I said, 2-1/2 months have elapsed.

Let's deal with some additional facts. Although the District attempts to justify these transfers as legitimate allocated central service costs, I choose to call them what they really are. A financial subsidy which represents the difference between budgeted revenues and intentional overspending assigned to the District's General Fund. So let's see if I'm right. Have Kelly Langley share the District's final FY 2026 filed with the Dep't. Go to page 7 of form 4404LGF, schedule B-9, and there the CLGF will see the District has budgeted to receive \$4,512,486 in revenue. Now go to page 8 of that form, schedule B-10, and there the CLGF will see the District has budgeted to expend \$8,553,470. The difference (i.e., shortfall) between the two is \$4,040,984. Now let's return to page 7, schedule B-9. There the CLGF will see the amount of central service cost transfers. And that number is \$4,050,500. Now let's compare the financial shortfall to the amount of central service cost transfers. There within \$9,500 of one another. Coincidental? Or have IVGID staff concocted a formula which happens to yield the number the District requires to balance its General Fund?

Let's continue, shall we?

When was the District supposed to have adopted an updated central services cost allocation plan assuming its General Fund relied upon funds transferred from its enterprise funds? According to NAC 354.8668(7)(c)(a), "**before**...the date on which the local government submit(ted) its tentative budget to the Department." And when was that date? According to NRS 354.596(2), April 15.

How was the District supposed to have adopted an updated central services cost allocation plan? According to NRS 354.613(1)(c), given the District's so call Plan represents "a cost allocation for employees, equipment or other resources related to the purpose of the enterprise fund(s from which transfers are proposed to be made) which is approved by the governing body **under a nonconsent item that is separately listed on the agenda for a regular meeting of the governing body**." But the May 30, 2025 meeting of IVGID's BOT where the so called Plan was approved, was a **special** meeting. That's right! This truism can be confirmed by examining the notice District staff published for that meeting (go to <https://ivgid.portal.civicclerk.com/event/646/files/agenda/1362>).

Now was approval of this so called Plan separately listed on the agenda for this meeting? Take a look at the agenda under paragraph G, General Business (for possible action). Do you see possible adoption of a central service cost allocation plan? No you don't.

Go back to paragraph E of the agenda; "Public Hearing for the Incline Village General Improvement District Fiscal Year 2025/2026 Operating and Capital Improvement Projects Budget of which there are six (6) components." Do you see the NRS 241.020(3)(d)(2) magic necessary words "for possible action" ("written notice of all meetings must...include...a list describing the items on which action may be taken and clearly denoting that action may be taken on those items by placing the term "for possible action" next to the appropriate item") next to the appropriate item? No you don't.

Was approval "separately listed?" No. The District's proffered central service cost allocation plan was bundled together with five (5) other components.

Did the District's chief financial officer prepare an attestation in accordance with NAC 354.8668(8) which clearly stated "that the (so called proffered) central service cost allocation plan complies with the provisions of NAC 354.865 to 354.867, inclusive?" **Did she sign it?**

Without going into the particulars of whether Ms. O'Connell's so called central service cost allocation plan actually complies with the provisions of NAC 354.865-354.867, inclusive (which it does not), isn't it clear that the District has never approved an updated central service cost allocation plan for FY 2026 because it has not complied with the applicable NRS/NAC thereto?

So what does the CLGF intend to do about this arrogant refusal to comply with the NRS/NAC? At a time when the District is under formal fiscal watch. Am I being out of line in suggesting a referral to the Office of the Attorney General for criminal prosecution in accordance with NRS 354.626(1) ["any officer or employee of a local government who willfully violates NRS 354.470 to 354.626, inclusive, is guilty of a misdemeanor and upon conviction thereof ceases to hold his or her office or employment. Prosecution for any violation of this section may be conducted by the Attorney General"]? And do I have to ask again that the Executive Director notify the Washoe County Board of Commissioners in accordance with NRS 318.515(1) given the IVGID BOT (a) is not being properly managed; and, it (b) is not complying with the provisions of...any...law" or regulation?

The subject \$4,050,500 is funded from three enterprise funds, 2 of which's expenditures exceed revenues. Where the financial shortfall is subsidized by invalid

special taxes involuntarily assessed against the non-exempt parcels in Incline Village/Crystal Bay owned by property owners such as myself. Revenues in the District's Utility Fund come from water and sewer rates and charges similarly involuntarily assessed against parcel owners such as myself. Therefore if this \$4,050,500 is in essence involuntarily assessed against me, contrary to law, isn't that theft?

Respectfully, Aaron Katz

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

From: Patricia Olmstead <polmstead@tax.state.nv.us>

Sent: Aug 11, 2025 3:55 PM

To: s4s@ix.netcom.com <s4s@ix.netcom.com>

Subject: Public Record Request - IVGID - Its FY 2026 Central Services Cost Allocation Plan

Mr. Katz,

Responsive records are attached.

Sincerely,



Patricia Olmstead

Public Information Officer

Nevada Department of Taxation

9850 Double R Blvd.

Phone: 775-687-9998

Email: polmstead@tax.state.nv.us

Mailing Address:

3850 Arrowhead Drive

Carson City, NV 89706

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From: s4s@ix.netcom.com <s4s@ix.netcom.com>

Sent: Thursday, July 31, 2025 1:39 PM

To: Patricia Olmstead <polmstead@tax.state.nv.us>

Cc: Kelly S. Langley <klangley@tax.state.nv.us>

Subject: Public Record Request - IVGID - Its FY 2026 Central Services Cost Allocation Plan

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

Hello Ms. Olmstead and Ms. Langley -

I thought I had requested this public record before. But if I didn't, I want to examine the central services cost allocation plan adopted by IVGID for FY 2026, along with any cover letters or e-mails referencing the same. I make this request because IVGID Board Policy 18.1.0 instructs that "each budget year, the current Central Service Cost Allocation Plan will be filed with the Nevada Department of Taxation as required."

Thank you for your cooperation. Aaron Katz

From: [Kelly S. Langley](#)
To: [Kari Skalsky](#)
Subject: FW: Public Record Request - IVGID - Its FY 2026 Central Services Cost Allocation Plan
Date: Wednesday, August 13, 2025 2:30:57 PM
Attachments: [image.png](#)
[FY26 Budget Central Services Cost Allocation Worksheet.xlsx](#)
[B. CSC Centralized Services Cost Allocation - Copy.pdf](#)
[D. Rates and Charges Memo.pdf](#)

From: s4s@ix.netcom.com <s4s@ix.netcom.com>
Sent: Wednesday, August 13, 2025 12:05 PM
To: Patricia Olmstead <polmstead@tax.state.nv.us>; Patricia Olmstead <polmstead@tax.state.nv.us>
Cc: Kelly S. Langley <klangley@tax.state.nv.us>
Subject: Fw: Public Record Request - IVGID - Its FY 2026 Central Services Cost Allocation Plan

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Hello Ms. Olmstead and Ms. Langley -

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And to put matters into perspective, it's my position no proposed central service cost allocation plan was presented to the IVGID BOT for approval on May 30, 2025. So on May 31, 2025 I made a formal public records request with IVGID to examine that so called Plan. In part I asked as follows: "2. At yesterday's BOT meeting, the BOT approved and adopted an updated central services cost allocation 'plan' that charges \$4.05 million annually to the Utility, Community Services, and Beach Funds. Since the District is required to approve a written plan, and you know it's my position staff never presented such writing to the BOT for approval, I would like to examine the written 'plan' which was **actually** approved." This request was assigned Public Records Request ("PRR") 25-47, and it can be examined in full at <https://ivgid.nextrequest.com/requests/25-47>.

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which the person who has legal custody or control of a public book or record of a governmental entity receives a written or oral request from a person to inspect, copy or receive a copy of the public book or record, a governmental entity shall do one of the following, as applicable...If a public book or record of a governmental entity is readily available for inspection or copying, the person who has legal custody or control of the public book or record shall allow a person who has submitted a request to inspect, copy or receive a copy of a public book or record **as expeditiously as practicable**"). Yes NRS 239.0107(1)(c)(1) allowed the District to "provide to the person, **in writing**, notice of the fact that it (wa)s unable to make the public book or record available by that date," it was also required to provide "the earliest date and time after which the governmental entity reasonably believe(d) the (requested) public book or record w(ould) be available for the person to inspect or copy or after which a copy of the public book or record w(ould) be available to the person." However here, **IVGID did none of this**. It just hasn't provided the requested books and records! And like I said, 2-1/2 months have elapsed.

Let's deal with some additional facts. Although the District attempts to justify these transfers as legitimate allocated central service costs, I choose to call them what they really are. A financial subsidy which represents the difference between budgeted revenues and intentional overspending assigned to the District's General Fund. So let's see if I'm right. Have Kelly Langley share the District's final FY 2026 filed with the Dep't. Go to page 7 of form 4404LGF, schedule B-9, and there the CLGF will see the District has budgeted to receive \$4,512,486 in revenue. Now go to page 8 of that form, schedule B-10, and there the CLGF will see the District has budgeted to expend \$8,553,470. The difference (i.e., shortfall) between the two is \$4,040,984. Now let's return to page 7, schedule B-9. There the CLGF will see the amount of central service cost transfers. And that number is \$4,050,500. Now let's compare the financial shortfall to the amount of central service cost transfers. There within \$9,500 of one another. Coincidental? Or have IVGID staff concocted a formula which happens to yield the number the District requires to balance its General Fund?

Let's continue, shall we?

When was the District supposed to have adopted an updated central services cost allocation plan assuming its General Fund relied upon funds transferred from its enterprise funds? According to NAC 354.8668(7)(c)(a), "**before**...the date on which the local government submit(ted) its tentative budget to the Department." And when was that date? According to NRS 354.596(2), April 15.

How was the District supposed to have adopted an updated central services cost allocation plan? According to NRS 354.613(1)(c), given the District's so call Plan

represents "a cost allocation for employees, equipment or other resources related to the purpose of the enterprise fund(s from which transfers are proposed to be made) which is approved by the governing body **under a nonconsent item that is separately listed on the agenda for a regular meeting of the governing body.**" But the May 30, 2025 meeting of IVGID's BOT where the so called Plan was approved, was a **special** meeting. That's right! This truism can be confirmed by examining the notice District staff published for that meeting (go to <https://ivgid.portal.civicclerk.com/event/646/files/agenda/1362>).

Now was approval of this so called Plan separately listed on the agenda for this meeting? Take a look at the agenda under paragraph G, General Business (for possible action). Do you see possible adoption of a central service cost allocation plan? No you don't.

Go back to paragraph E of the agenda; "Public Hearing for the Incline Village General Improvement District Fiscal Year 2025/2026 Operating and Capital Improvement Projects Budget of which there are six (6) components." Do you see the NRS 241.020(3)(d)(2) magic necessary words "for possible action" ("written notice of all meetings must...include...a list describing the items on which action may be taken and clearly denoting that action may be taken on those items by placing the term "for possible action" next to the appropriate item") next to the appropriate item? No you don't.

Was approval "separately listed?" No. The District's proffered central service cost allocation plan was bundled together with five (5) other components.

Did the District's chief financial officer prepare an attestation in accordance with NAC 354.8668(8) which clearly stated "that the (so called proffered) central service cost allocation plan complies with the provisions of NAC 354.865 to 354.867, inclusive?" **Did she sign it?**

Without going into the particulars of whether Ms. O'Connell's so called central service cost allocation plan actually complies with the provisions of NAC 354.865-354.867, inclusive (which it does not), isn't it clear that the District has never approved an updated central service cost allocation plan for FY 2026 because it has not complied with the applicable NRS/NAC thereto?

So what does the CLGF intend to do about this arrogant refusal to comply with the NRS/NAC? At a time when the District is under formal fiscal watch. Am I being out of line in suggesting a referral to the Office of the Attorney General for criminal prosecution in accordance with NRS 354.626(1) ["any officer or employee of a local government who willfully violates NRS 354.470 to 354.626, inclusive, is guilty of a misdemeanor and upon conviction thereof ceases to hold his or her office or employment. Prosecution for any violation of this section may be conducted by the Attorney General"]? And do I have to ask again that the Executive Director notify the Washoe County Board of Commissioners in accordance with NRS 318.515(1) given the IVGID BOT (a) is not being properly managed; and, it (b) is not complying with the provisions of...any...law" or regulation?

The subject \$4,050,500 is funded from three enterprise funds, 2 of which's expenditures exceed revenues. Where the financial shortfall is subsidized by invalid special taxes involuntarily assessed against the non-exempt parcels in Incline Village/Crystal Bay owned by property owners such as myself. Revenues in the District's Utility Fund come from water and sewer rates and charges similarly involuntarily assessed against parcel owners such as myself. Therefore if this \$4,050,500 is in essence involuntarily assessed against me, contrary to law, isn't that theft?

Respectfully, Aaron Katz

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

From: Patricia Olmstead <polmstead@tax.state.nv.us>

Sent: Aug 11, 2025 3:55 PM

To: s4s@ix.netcom.com <s4s@ix.netcom.com>

Subject: Public Record Request - IVGID - Its FY 2026 Central Services Cost Allocation Plan

Mr. Katz,

Responsive records are attached.

Sincerely,

Patricia Olmstead
Public Information Officer
Nevada Department of Taxation
9850 Double R Blvd.
Phone: 775-687-9998
Email: polmstead@tax.state.nv.us



Mailing Address:
3850 Arrowhead Drive
Carson City, NV 89706

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From: s4s@ix.netcom.com <s4s@ix.netcom.com>

Sent: Thursday, July 31, 2025 1:39 PM

To: Patricia Olmstead <polmstead@tax.state.nv.us>

Cc: Kelly S. Langley <klangley@tax.state.nv.us>

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Thank you for your cooperation. Aaron Katz

From: [Kelly S. Langley](#)
To: [Kari Skalsky](#)
Subject: FW: Fw: Public Record Request - IVGID - Its FY 2026 Central Services Cost Allocation Plan
Date: Thursday, August 14, 2025 8:04:21 AM
Attachments: [image.png](#)

Please include the following in public comments for the CLGF Meeting on August 25th.
Thank you,

*Kelly S Langley,
Nevada Department of Taxation
Local Government Finance and Boards & Commissions
3850 Arrowhead Drive
Carson City, NV 89706
klangley@tax.state.nv.us
775.684.2073 Office
775.636.0101 Cell*

***Notice:** Our new E-services have launched. Create a new log on or register your business today at MyNevadaTax.nv.gov. Instructional videos for My Nevada Tax can be found here: [How-to Videos for Nevada Tax - State of Nevada](#). Additional information can be found in the [FAQ section](#).

From: Tim Taggart <tagtlt007@gmail.com>
Sent: Wednesday, August 13, 2025 4:49 PM
To: s4s@ix.netcom.com
Cc: Patricia Olmstead <polmstead@tax.state.nv.us>; Kelly S. Langley <klangley@tax.state.nv.us>
Subject: Re: Fw: Public Record Request - IVGID - Its FY 2026 Central Services Cost Allocation Plan

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I wish to concur with Mr. Katz's requests. I am an owner in Incline village and recently received my tax bill from the Washoe County Treasurer, which included "special assessment" in the form of increased fees from IVGID, totaling an addition of \$1,000+ to my tax assessment; last year, about \$1300, to this year, about \$2300. This is outrageous and, as concluded by Mr. Katz, an illegal tax that IVGID does not have statutory authority to impose.

All of the owners need your assistance to be protected from IVGID.

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Sincerely,



Patricia Olmstead
Public Information Officer
Nevada Department of Taxation
9850 Double R Blvd.
Phone: 775-687-9998
Email: polmstead@tax.state.nv.us

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3850 Arrowhead Drive
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--

Timothy L Taggart

(mailing address)

A Bldg - BOX 1, 999 N. Pacific St. (A-100)

Oceanside, CA 92054

Phone: 619-488-3249

C-Phone 909-520-1212

FAX: 760-544-5129



More suffering is contributed into the world by those

who take offense than by those who give it.

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