

Public Comments – Committee on local government finance. 12-10-2025

By. Clifford F. Dobler

I have been a resident of Incline Village for 32 years, I am a CPA and had been a member of the IVGID audit committee between 2020 to 2022.

During my time on the committee, several items were reviewed the largest being a serious lack of internal controls and the need for three years of prior period adjustments. I provided over 30 memorandums dealing with improper accounting which were reviewed by Moss Adams, a regional CPA firm, with emphasis on 4 of the most critical. Corrections were made on some, but the past management decided to discard making any other changes and effectively buried them for the past 5 years.

Subsequently two members of the Audit committee decided to review the memos and obtain a report which was never done nor discussed with the entire committee. Both men quit the committee. New members promised a review and a report which has not been done.

After making \$7.5 million in prior period adjustments to expense improper capital assets and the potential for another \$10.7 millions in charge off a serious error still exists.

Add switching the recreational enterprise funds to governmental funds and then reversed back to enterprise fund. Destroying consistency

Add the change of the parks department from the CS fund to the general fund in 2024 and then reversing beginning in 2026. The reversal was listed in 2024 as a prior period adjustment when there was no prior period to adjust.

Add the error in the 2024 CAFR for prepaid expenses of \$1.5 million recorded improperly in General Fund but were expenses for the enterprise funds.

The 2026 budget indicates central service costs allocation from the 3 enterprise funds to the general fund has been treated as a transfer rather than operating expenses contrary to history and with no logic. IVGID claims instructions came from the department of taxation. I believe that may not be true.

Consistency is truly lacking.

I **do** understand that the committee relies on audits, but consideration should be given that because there have been 7 financial officers engaged without any proper internal controls and 3 auditors over the past five years the reporting is highly suspect. We need your help. Restatement is the only solution.