



north lake tahoe

Chamber | CVB | Resort Association

NLTRA Board of Directors Agenda and Meeting Notice Wednesday, December 6, 2017 – 8:30 a.m. Squaw Valley Public Service District Community Room, 305 Squaw Valley Road, Olympic Valley

NLTRA Mission

To promote tourism and business through efforts that enhance the economic, environmental, recreational and cultural climate of the area.

2017 Board of Directors

Adam Wilson(Chair)
Northstar
California

Samir Tuma (Vice Chair)
Kila Lake Tahoe

Christy Beck (Treasurer)
The Village at
Squaw Valley
Finance
Committee

Brett Williams (Secretary)
Agate Bay Realty
Marketing
Committee

David Tirman(Past Chair)
JMA Ventures,
LLC
Lodging
Committee

Jennifer Merchant (Erin Casey-Alternate)
Placer County
CEO Appointee

Gary Davis
JK Architecture
Engineering
CI/T
Committee

To Call in: Dial (712) 770-4010, 775665#

Items May Not Be Heard In the Order They Are Listed

A. 8:30 a.m. Call to Order-Establish Quorum

B. 8:35 a.m. Public Forum: Any person wishing to address the Board of Directors on items of interest to the Board not listed on the agenda may do so at this time. It is requested that comments be limited to three minutes since no action may be taken by the Board on items addressed under Public Forum.

C. Agenda Amendments and Approval-MOTION

D. Consent Calendar-MOTION (10 minutes) 8:35-8:45

All items listed under the consent calendar are considered to be routine and/or have been or will be reviewed by the Board, and approved by one motion. There will not be a separate discussion of these items unless a Board member or staff person requests a specific item be removed from the consent calendar for separate consideration. Any item removed will be considered after the motion and vote to approve the remainder of consent calendar motions.

1. Board Meeting Minutes –

a. November 1, 2017 **(Page 1)** [Link to online document](#)

The Committee Action Summary is provided for informational purposes only. Minutes are available as finalized at www.nltra.org

2. Committee Minutes

a. BACC November 9, 2017 [Link to online document](#)

b. Marketing November 28, 2017 Will be posted online when available.

c. Finance November 30, 2017 Will be posted online when approved.

3. Contract Approval (Projects whose funding has already been approved by the NLTRA Board and Board of Supervisors or funding requested is under \$50,000)

None at this time

Eric Pilcher
Moe's BBQ/Gear
& Grind
BACC

Karen Plank
Placer County
Board of
Supervisors
Appointee

**Aaron
Rudnick**
Truckee River
Raft Co.

Quorum - 6
Majority of the
NLTRA Board
Representatives

**Advisory
Board**
Tom Lotshaw
TRPA Non-Voting

E. Action Items (100 minutes) 8:45-10:25

1. **MOTION: Discussion and possible approval of the Kings Beach Fireworks contract-Amber Burke (Page 5)**
2. **MOTION: Discussion and possible approval of Tahoe City Fireworks contract-Amber Burke (Page 10)**
3. **MOTION: Discussion and possible approval of the Broken Arrow Skyrace contract-Amber Burke (Page 13)**
4. **MOTION: Discussion and possible approval of NASTAR contract-Amber Burke (Page 17)**
5. **MOTION: Discussion and possible approval of the Lake Tahoe Autumn Food & Wine Festival contract -Amber Burke (Board action optional) (Page 20)**
6. **MOTION: Presentation and possible approval of the Economic Significance of Travel to North lake Tahoe report-Cindy Gustafson (Page 22)**
7. **MOTION: Consideration of Bylaw Revisions: Composition of the Board, Terms of Office and Consolidation of Elections - Cindy Gustafson (Page 73)**
8. **MOTION: Review and possible approval of the proposed Capital Projects Advisory Committee (Page 156)**

F. C.E.O. Informational Updates – Verbal Report (10 minutes) 10:25-10:35

1. Verbal updates will be presented at meeting.

G. Special Report

1. **Finance Audit Presentation-McClintock Accountancy Corp. (15 minutes) 10:35-10:50 (Page 103)**

H. Reports/Back up Documents-Meeting Packet Part Two

The following reports are provided on a monthly basis by staff and can be pulled for discussion by any board member

1. **Destimetrics Report (Page 1)**
2. **Membership Accounts Receivable Report, September 2017 (Page 2)**
3. **Membership Staff Report (Page 3)**
4. **Membership Upcoming Events/Programs-Shop Local Holiday Contest (Page 5)**
5. **Conference Revenue Statistics Report (Page 6)**
6. **Monthly Summary of Transportation Meeting Outcomes (Page 11)**
7. **Finance Committee Reports, (Draft) October, 2017 (Page 14)**
9. **Correspondence**
 - a. **Thank you letter from Tahoe City Downtown Association. (Page 25)**

I. Directors Comments (10 minutes) 10:50-11:00

J. Meeting Review and Staff Direction (5 minutes) 11:00-11:05

K. Adjournment

This meeting is wheelchair accessible

Posted and Emailed (x)



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NLTRA Board of Directors

Meeting Minutes

Wednesday, November 1, 2017 – 8:30 a.m.

Tahoe City PUD Board Room

A. 8:35 a.m. Called to Order-Established Quorum

Board members in attendance: David Tirman, Brett Williams, Christy Beck, Karen Plank, Samir Tuma, Adam Wilson, Jennifer Merchant, Aaron Rudnick via telephone. Tom Lotshaw (Ex-officio) arrived at 8:49.

Staff members in attendance: Cindy Gustafson, Ron Treabess, Natalie Parrish, Al Priester, Sarah Winters, Amber Burke, Andy Chapman, Emily Detwiler, Dawn Teran

Public in attendance: Eric Brandt, Erin Casey, Lindsay Romack, JT Chevalier

- B.** 8:35 a.m. Public Forum: Any person wishing to address the Board of Directors on items of interest to the Board not listed on the agenda may do so at this time. It is requested that comments be limited to three minutes since no action may be taken by the Board on items addressed under Public Forum.

- No public comment.

C. Agenda Amendments and Approval-MOTION

MOTION to approve the Agenda M/S/C Brett/David/8-0-0

D. Consent Calendar-MOTION

All items listed under the consent calendar are considered to be routine and/or have been or will be reviewed by the Board, and approved by one motion. There will not be a separate discussion of these items unless a Board member or staff person requests a specific item be removed from the consent calendar for separate consideration. Any item removed will be considered after the motion and vote to approve the remainder of consent calendar motions.

1. Board Meeting Minutes –

a. October 16, 2017 [Link to online document](#)

b. Board Strategic Planning Retreat October 16, 2017 [Link to online document](#)

MOTION to approve the Consent Calendar items M/S/C Brett/Aaron/7-0-1 Jennifer Merchant abstained

The Committee Action Summary is provided for informational purposes only. Minutes are available as finalized at www.nltra.org

2. Committee Minutes

a. BACC October 12, 2017 [Link to online document](#)

b. Marketing October 24, 2017 [Will be posted online when available.](#)

c. Finance October 26, 2017 [Will be posted online when approved.](#)

3. Contract Approval (Projects whose funding has already been approved by the NLTRA Board and Board of Supervisors or funding requested is under \$50,000)

- None at this time

E. Action Items

1. Consideration of Bylaws Change Revising the Date of the Board of Directors' Election discussion and possible approval. Cindy Gustafson.
- Cindy reviewed what was discussed at the Strategic Planning meeting in regards to the Bylaws. 52 ballots have been received, 41 (10%) were needed. All approved of the bylaw change.
 - Cindy reported that ballot was emailed to all members, multiple times.
 - Cindy reported that the Chamber committee met regarding this subject.

- Ballots are due a minimum of 30 days prior to the filing deadline. Filing date would be two days prior to Board meeting in February, for assuming seats in April. Bylaws vote would happen prior to the elections.
- Cindy has provided a governance chart to members.

MOTION to approve the Bylaw Change M/S/C David/Samir 8-0-0

2. Consideration of Revisions to the Composition of the Board of Directors.
 - Cindy reviewed the slide show she provided to summarize Board revisions.
 - Information regarding Board changes will be distributed to members of Business Associations, and presented at meetings.
 - Note: Mission Statement on slideshow should have the word "Cultural" climate.
 - Suggestion by Adam: Change the 2 at-large (under elected seats) and designate them to be selected out of the other business association's areas.
 - The membership associations in the individual regions could be responsible for electing their own representative.
 - Samir suggested more Recreation at-large seats or appointing them.
 - Jennifer commented that she believes there should be a clearer vision of what the Chamber requires vs. the NLTRA; what are the organizational structures? What about the members who are out of the area? If it is a Chamber organization she feels it should not be about TOT collections. In her opinion, the current proposed structure lacks smaller community and business representation. She believes that the organization structure should be "fixed" prior to attempting to fix the Board structure.
 - Discussion regarding the Board being a Board that represents only the Chamber or both the NLTRA and the Chamber.
 - Cindy explained that the Board is representative of both the NLTRA and the Chamber and referred to page 15 in the Chamber Subcommittee Programmable Program and Matrix.
 - Christy suggested 2 at-large Board positions could be non-lodging.
 - Samir suggested 3 at-large non-lodging Board positions. (Take out the one at-large under Lodging and add it to the 2 at-large of any business type.)
 - Aaron suggested more voice to smaller businesses.
 - Samir said that 3 at-large appointed should specify a preference for recreation, restaurant and retail.
 - Jennifer suggested considering a Non-Tourism seat.
 - JT commented that TCDA could assist with getting the vote out to the community if needed.
 - David: flexibility and versatility is needed. He expressed concern about a larger board and consistency but believes that there is good diversity with this Board structure draft.
 - Eric suggested designating a Truckee representative. Cindy suggested Truckee involvement on the committee level.
 - We will be collecting feedback regarding the Board structure change in November and it will be added to the Board agenda in December.
3. Multi-year Event Policy discussion and possible approval. Amber Burke.
 - Amber reviewed history of events and upcoming contract. Marketing committee recommendation was to allow approval and/or reallocation of existing funds and bring back in 2018 to consider a longer term policy. Not asking for approval on all the contracts but the policy approval only.
 - Note: This item is will be considered in the event the Marketing strategy budget is changed in the future. If the event strategy doesn't change, the contracts will go forward as originally planned.
 - Regarding the Marketing Reserve Memorandum. Cindy suggested an event reserve policy in future contracts. Memorandum should be brought back and language added on Marketing reserve money payback procedure.
 - Samir sparked a discussion regarding possibly creating a policy in the future for sponsorships, and/or tourism promotions.
 - When asked, Amber clarified that the figures contained in the ROI report are for a combination of sponsorships and grants. She said Partnership Funding Grants can be used for either seed money or to assist applicants in reaching into new markets. Monetary buckets between sponsorships and partnership funding will be clarified in a future plan. A lodging partner will be required in the future. This subject will be brought back to the Board in January.
 - Brett suggested considering some type of economic development funding for successful recurring events, enabling sponsorship funds to establish new event opportunities.
 - JT commented that TCDA's post event surveys and results show that the large events in other areas do trickle down and give business to the smaller businesses in Tahoe City.

- Jennifer asked for clarification regarding the Placer County total on the chart Amber provided, and whether the totals are derived from visitors that stayed in Placer County. Amber clarified that they are and that the Average Economic Impact line is a total of what was contributed to TOT and that is derived from Placer County Visitors.

MOTION to approve the Multi-year Event Policy M/S/C Samir/Jennifer 8-0-0

4. WinterWondergrass contract discussion and possible approval. *see additional backup documents in part two. Amber Burke.
 - Jennifer suggested a Resort Assn. contract signer in addition to Amber. She suggested establishing a financial policy limit for contracts that Events Manager (Amber) can sign and require a CEO signature for anything over that amount.
 - Samir asked if Squaw lodging sells out for this event and Christy said yes. He asked what the success of the event would be in the case that we did not approve the funding we supply. She said she didn't think they would go elsewhere but that possibility is always there. Discussion about possibly co-sponsoring with other resorts.

MOTION to approve WinterWondergrass contract M/S/C Jennifer/David 8-0-0

5. Tough Mudder contract discussion and possible approval-Amber Burke.

**David left the meeting at 10:25*

- Samir asked if Northstar is contributing a cash sponsorship. Amber answered that they are not. Samir asked in the event that we did not sponsor, would they return? Amber said it is a one year contract but she is not sure that they would return again. She will be having a meeting with Northstar and will discuss a long-term outlook.
- Adam expressed gratitude for the funding that the NLTRA provides for this event.
- Brett described the difficulty in deciphering room nights generated. Christy offered room night information as well as Adam recommended Amber speak with Anna Marie.
- Brett invited the Board members to come to the Marketing committee meetings to understand the discussion process of considering sponsorships.
- Discussion about event contributors and criteria for considering sponsorships, ROI and room nights.
- Samir requested that in the future, the event report include other funding sources. Cindy said that a spreadsheet- a summary – that includes that information will be provided for future events.
- Cindy reiterated that these are public dollars being expended and we do have to look at fairness, equity and economic impact. This information may be included in the new Event Policy which will be supplied by the end of January (approximately).

MOTION to approve Tough Mudder contract M/S/C Christy/Brett 5-1-1 Jennifer Merchant voted no. Adam Wilson abstained. (David was not in attendance.)

**Tom left the meeting at 10:45.*

6. North Lake Tahoe Summit Lacrosse Tournament contract discussion and possible approval. Amber Burke
 - Christy pointed out that tracking on lodging needs to happen for this event. Amber said lodging blocks were not utilized last year but this year that should improve.
 - Jennifer said that more than half may be staying Truckee.
 - Truckee Chamber is sponsoring for \$5,000.
 - Outreach could happen to coaches in relation to where they stayed.

MOTION to approve North Lake Tahoe Summit Lacrosse Tournament contract M/S/C Jennifer/Samir 7-0-0 (David was not in attendance.)

7. Spartan Race contract discussion and possible approval.*see additional backup documents
 - Jennifer requested that on air they say "brought to you by gotahoenorth.com".
 - Amber confirmed that Spartan would take the race to another location if we did not sponsor it. Samir asked what the impact would be for Squaw if we did not provide this sponsorship. Christy said not well and in her opinion they are very thankful for our sponsorship.
 - Christy encouraged getting lodging information from the Village at Squaw Valley.

MOTION to approve Spartan Race contract M/S/C Samir/Brett 6-0-1 Christy abstained. (David was not in attendance.)

F. C.E.O. Informational Updates – Verbal Report

- Cindy reported that she spoke at Mountain Housing Forum for Employers, approx. 100 attended.
- Attended the Bi-State Transportation meeting. Forest Services spoke on corridor studies; regarding events that would close the roads, and better traffic solutions. There were also pilot program updates as well as updates on funding and transportation.
- Cindy and Andy Chapman met with new director of Ritz Carlton Sales & Marketing and with Andy Wirth. There will be a meeting with the General Manager at Ritz Carton meeting and meetings Dan Tester, among others. Obtaining feedback about proposed governance changes, open seats.
- Tonight is Placer County's first Public meeting about the new CI/T committee, which the NLTRA is co-chairing. Three meetings are scheduled.
- Jennifer recommends inclusion of marketing in the discussion about the meeting.
- Erin overviewed what will be presented in the meeting.
- Comment on the meeting from Samir that it may be too much information and not likely to be enough time.
- Comment from Adam that history is important. Concerned about all the stations and in his opinion the Committee structure is more important for this meeting. He suggested to conduct several meetings; history and committee information in first meeting, TMP priorities/funding, etc. in separate meetings.
- Jennifer said at this point scaling back is not possible. The meeting has been publicized as is.
- Cindy expressed concern about asking for priorities from public without enough background information. She thought the meeting was created to be focused on Infrastructure changes.
- Discussion about the meeting focus and the way it was publicized.
- There will be a debriefing afterwards to help guide future meetings.
- Andy suggested highlighting successes of Marketing Committee. Jennifer said a 4th station could include that.
- Brett suggested successes be presented in the beginning of the presentation.
- Cindy suggested that the purpose and new role of committee be clearly identified.

**Christy left the meeting at 11:46.*

G. Reports/Back up Documents-Meeting Packet Part Two

The following reports are provided on a monthly basis by staff and can be pulled for discussion by any Board member

1. Destimetrics Report
2. Membership Accounts Receivable Report, September 2017
3. Membership Staff Report
4. Membership Upcoming Events/Programs
5. Conference Revenue Statistics Report
7. Monthly Summary of Transportation Meeting Outcomes
8. Finance Committee Reports, *(Draft)* September, 2017
9. WinterWondergrass Survey Results
10. Tough Mudder 2016 Event Recap
11. Spartan 2017 Event Recap

H. Directors Comments

I. Tourism Director Update-Brett reported that there are 12 applicants remaining. First round of interviews will wrap up next Friday.

J. Meeting Review and Staff Direction

Cindy:

- Review of Board governance chart.
- Come back with proposed bylaw changes by the December meeting
- Event policy by the end of Jan (approximately).

Meeting adjourned at 11:59



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MEMORANDUM

Date: 12/1/17

TO: NLTRA Board of Directors

FROM: Amber Burke

RE: Consideration of Special Event Contracts - Kings Beach & Tahoe City Fireworks, Liberty Mutual Insurance NASTAR National Championships, Broken Arrow Skyrace

Action Requested:

Staff recommends Board approval of the each of the attached contracts for special events.

Background:

The Marketing Committee unanimously approved these at their November 28, 2017 meeting.

Attached are contract summaries and the contracts for each event.

Fiscal Impact:

Kings Beach Fireworks	\$10,000
Tahoe City Fireworks	\$10,000
Broken Arrow Skyrace	\$15,000
NASTAR National Championships	\$ 5,000
TOTAL	\$40,000

The Placer County approved budget anticipated \$35,000 for the first three events. The request for funding of the NASTAR National Championships was not included at that time. The approved budget did include \$10,000 for opportunities such as this. The Marketing Committee approved using \$5,000 of those funds for this event.

Kings Beach & Tahoe City Independence Week Fireworks Contract Summary

Duration & Timing

- 2-Year Contract (2018 & 2019)
 - Contract can be terminated for any reason upon 30 days' notice provided it not be terminated for convenience after October 1 of each year.
- Event Dates: Kings Beach – July 3, Tahoe City – July 4
- Location: Kings Beach State Recreation Area and Commons Beach (TC)

Cash Sponsorship

- \$10,000 to North Tahoe Business Association (Payment – 100% February)
- \$10,000 to Tahoe City Downtown Association (Payment – 100% February)

Key Sponsorship Terms

- NLTRA to receive
 - Logo/link on appropriate signage, website, digital, print and grassroots media when applicable
 - On-site activation during event – space is limited so working with producers to find creative alternatives to a 10x10 tent. Discussing sponsoring an activity throughout the day and/or sharing a tent with staff.
 - One (1) dedicated email to NTBA/TCDA databases highlighting regional offerings.
 - Inclusion in PA announcements during event.
 - NTBA will send a post event survey out to ticket purchasers.
 - Ten (10) Preferred Fireworks Seating Tickets and ten (10) Beach Party Drinks from NTBA.
- NLTRA to provide
 - Inclusion of fireworks information to consumer database with call to action to GTN.com in early June.
 - One (1) dedicated email to Chamber database in mid-May requesting event sponsors.
 - Two (2) dedicated emails to Chamber database in late May/June requesting volunteer support.
 - Three (3) social posts on NLT pages to drive lodging.
 - Two (2) social posts on Chamber pages to drive sponsorships and volunteers.
 - Independence Day Week landing page on GTN.com with information on fireworks shows.
 - Fireworks will be a rotating “Featured Event” on GTN.com starting Memorial Day Weekend.
 - NLTRA will be involved in meetings with regional ski resorts to explore potential partnerships and promotions.



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Kings Beach 3rd of July Fireworks EVENT SPONSORSHIP AGREEMENT

This EVENT SPONSORSHIP AGREEMENT (this "Agreement") is made on December 6, 2017 and entered into between **North Tahoe Business Association** ("Producer"), and the **North Lake Tahoe Resort Association, Inc.**, a California nonprofit corporation ("Sponsor").

1. Event. North Tahoe Business Association is the organizer, owner and operator of "Kings Beach Independence Day Fireworks" which will take place on July 3, 2018 and July 3, 2019 at Kings Beach State Recreation Area, Placer County, California (the "Event"). Sponsor desires to obtain, and Producer desires to grant, sponsorship rights to the Event, as set forth in this Agreement.

2. Term. This Agreement starts on the Effective Date and will expire on July 30, 2019 ("Term"). The Event will be conducted annually on the 3rd of July. The rights and responsibilities of each party concerning each annual Event are further described in Obligations, which will be amended in writing by the parties annually no later than 90 days prior to each year's Event.

3. Obligations of Producer/Event to Sponsor: Sponsor will be incorporated into the Event marketing and will receive the following benefits:

- a) Sponsor's name and logo shall be included on all event marketing materials, print advertising, and digital advertising when applicable.
- b) Sponsor's name and logo shall be included on the year-round Event website home page and sponsor page, listed as a partner, with a link to www.GoTahoeNorth.com.
- c) Sponsor will be mentioned in all E-newsletters sent in conjunction with the Event.
- d) Sponsor shall receive, at a minimum, one (1) dedicated email to Producer's database with a focus on highlighting North Lake Tahoe's offerings. Content will be written by Sponsor and mutually agreed upon by both parties prior to distribution. Both parties will agree on a distribution date in advance.
- e) Sponsor will be mentioned in all press releases sent in conjunction with the Event.
- f) Sponsor shall be granted the ability to create unique onsite activations utilizing a 10'x10' booth. The booth must be staffed with Sponsor representatives. Event needs, at a minimum, 40 days advance notice of booth space to accommodate.
- g) Sponsor will be given an opportunity to be the sponsor of an activity taking place during the Event for no additional charge. Example, the July 3rd Fireworks & Beach Party Watermelon Eating Concert, sponsored by North Lake Tahoe Resort Association or GoTahoeNorth.com
- h) Sponsor's color logo will be included on two sponsor banners (produced by Event) prominently placed and displayed by Event at the venue in visible locations.
- i) Sponsor's name and logo shall be included on appropriate general event signage used to promote the Event.
- j) Sponsor shall be included and thanked in daily PA announcements during the Event at a minimum of six (6) times.
- k) Sponsor is granted ability to use the official Event trademarks and logos in promotions, marketing material, website and the like.
- l) Event will include North Lake Tahoe specific questions in a post-event survey. Questions will be agreed upon prior to survey being sent.

- m) Sponsor to receive ten (10) Preferred Fireworks Seating Tickets and ten (10) Beach Party Drink Tickets.
- n) Producer is responsible to continue all fundraising activities and mechanisms that have been used in the past to maintain additional sources of funding.
- o) Producer agrees not to apply for or obtain any other marketing or event funding for the Event through the NLTRA.
- p) Producer will provide a P&L and event recap within 60 days of the completion of the Event.
- q) The Shows will be marketed on the same poster, rack cards, and print advertisements (“Marketing Materials”). Event is responsible for the development and cost of graphic design and final layered Adobe Illustrator working file for The Shows 11” x 17” poster to be used in-market and to be resized by NTBA and TCDA for other marketing purposes. Event will provide Sponsor with the opportunity to proof and provide feedback for the poster design prior to going to press.

4. Obligations of Sponsor to Producer/Event:

- a) Sponsor shall provide a \$10,000 cash sponsorship to the Event. Event will submit an invoice for payment at least 30 days prior to a due date of March 1.
- b) Event shall receive email marketing support with inclusion in the following:
 - i. First article in early June email sent to entire NLTRA database with a call to action directing to the GTN.com 4th of July landing page. This article will include information on NTBA and TCDA fireworks.
 - ii. One (1) dedicated email to Chamber database in mid-May, requesting sponsors and donation for the Event with call to action to contact Event directly.
 - iii. Two (2) dedicated emails to Chamber database in late-May and/or June, requesting volunteer support for the Event; dates to be mutually agreed upon in April
- c) Event shall receive social media support with the following:
 - i. Three (3) social posts on North Lake Tahoe social pages to drive lodging via the GTN.com 4th of July landing page. Posts will take place four, five and six weeks prior to the Event date; dates to be mutually agreed upon in April
 - ii. Two (2) social posts on Chamber social pages to drive sponsorships and donations with a call to action to contact Event directly. Posts will take place the first two weeks of June prior to the Event.
- d) Sponsor to develop landing page on GTN.com highlighting 4th of July regional activities including Event. This page will be used for all marketing call to action efforts. The page will include a “Book Now” button.
- e) List Event on the event calendar on the NLTRA website (www.GoTahoeNorth.com).
- f) Event will be one of four rotating “Featured Events” on GTN.com homepage starting Memorial Day Weekend.
- g) Sponsor will assist leveraging relationships with area resorts in April/May for potential additional sponsorships and/or packages to drive attendance and assist in marketing the destination to ski resort databases.
- h) For any and all joint marketing efforts to promote the Event, both organizations will work together on the materials and will have joint approvals.
- i) Producer will provide Sponsor an acceptable Certificate of Insurance naming Sponsor as an additional insured (\$1,000,000 per occurrence, \$2,000,000 general aggregate).

5. Use of Intellectual Property. Sponsor hereby acknowledges and agrees that (i) all right, title and interest in the name, logos, trademarks, copyrights and other intellectual property rights of Producer, including, without limitation, the Event Marks; the Event; and all accounts, descriptions, pictures, videos, audio, reproductions, recordings, memorializations or other information concerning or in connection with the Event, belongs exclusively to Producer, (ii) Sponsor may use Producer Properties only in the manner and for the uses expressly permitted hereunder, and upon expiration or termination of this Agreement, all rights of Sponsor to use such Producer Properties shall immediately cease, (iii) Sponsor will not adopt or use any term, work, mark or designation which is in any respect confusingly similar to Producer Properties, (iv) all uses of Producer Properties by Sponsor, and all goodwill therefrom, inure to the benefit of Producer, (v) any permitted use of Producer Properties may be used only to indicate a sponsor relationship with the Event and will use ownership marks (such

as ® or ™) and designations (such as "An Official Sponsor") as directed by Producer, and (vi) Event Marks must be used in a complete format, and no abbreviated uses are permitted.

6. Relationship of the Parties. The relationship of Sponsor and Producer hereunder shall be solely that of independent contractors and nothing herein or in any related document or representation shall be construed to create or imply any relationship of employment, agency, partnership or any relationship other than that of independent contractors. Sponsor and Producer acknowledge and agree that each of them is engaged in a separate and independent business and neither shall state, represent or imply any interest in or control over the business of the other.

7. Attorney Fees. In any proceeding or other attempt to enforce, construe or to determine the validity of this Agreement, the non-prevailing party shall pay the reasonable expenses of the prevailing party, including reasonable attorney fees and costs, expert witness fees, fees of consultants and court costs incurred in connection therewith.

8. Counterparts; Scan/Facsimile. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same instrument. This Agreement may be executed and delivered by exchange of scanned or facsimile copies showing the signatures of the parties hereto. Such copies showing the signatures of all Parties hereto shall constitute originally signed copies of the same Agreement requiring no further execution. This Agreement may be enforced by any of the Parties upon scanned or facsimile signatures.

9. Termination. Either party may terminate this Agreement for any reason upon 30 days written notice; provided, that this Agreement may not be terminated for convenience after October 1 of each year. In addition, either party may terminate this Agreement upon 30 days written notice to the other party if that party is in material breach of this Agreement (unless that party cures the breach within 30 days of receiving notice).

IN WITNESS WHEREOF, the parties have caused this document to be executed on the date indicated by their signatures below.

NORTH LAKE TAHOE RESORT ASSOCIATION

By: _____
Name: _____
Title: _____
Date: _____

NORTH TAHOE BUSINESS ASSOCIATION

By: _____
Name: _____
Title: _____
Date: _____



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Tahoe City 4th of July Fireworks EVENT SPONSORSHIP AGREEMENT

This EVENT SPONSORSHIP AGREEMENT (this "Agreement") is made on December 6, 2017 and entered into between **Tahoe City Downtown Association** ("Producer"), and the **North Lake Tahoe Resort Association, Inc.**, a California nonprofit corporation ("Sponsor").

1. Event. Tahoe City Downtown Association is the organizer, owner and operator of "Tahoe City 4th of July Fireworks" which will take place on July 4, 2018 and July 4, 2019 at Commons Beach, Tahoe City, Placer County, California (the "Event"). Sponsor desires to obtain, and Producer desires to grant, sponsorship rights to the Event, as set forth in this Agreement.
2. Term. This Agreement starts on the Effective Date and will expire on July 30, 2019 ("Term"). The Event will be conducted annually on the 4th of July. The rights and responsibilities of each party concerning each annual Event are further described in Obligations, which will be amended in writing by the parties annually no later than 90 days prior to each year's Event.
3. Obligations of Producer/Event to Sponsor: Sponsor will be incorporated into the Event marketing and will receive the following benefits:
 - a) Sponsor's name and logo shall be included on all event marketing materials, print advertising, and digital advertising when applicable.
 - b) Sponsor's name and logo shall be included on the year-round Event website home page and sponsor page, listed as a partner, with a link to www.GoTahoeNorth.com.
 - c) Sponsor will be mentioned in all E-newsletters sent in conjunction with the Event.
 - d) Sponsor shall receive, at a minimum, one (1) dedicated email to Producer's database with a focus on highlighting North Lake Tahoe's offerings. Content will be written by Sponsor and mutually agreed upon by both parties prior to distribution. Both parties will agree on a distribution date in advance.
 - e) Sponsor will be mentioned in all press releases sent in conjunction with the Event.
 - f) Sponsor shall be granted the ability to create unique onsite activations utilizing a 10'x10' booth. The booth must be staffed with Sponsor representatives. Event needs, at a minimum, 40 days advance notice of booth space to accommodate.
 - g) Sponsor will be given an opportunity to be the sponsor of an activity taking place during the Event for no additional charge.
 - h) Sponsor's color logo will be included on two sponsor banners (produced by Event) prominently placed and displayed by Event at the venue in visible locations.
 - i) Sponsor banners will be hung onsite during the event with an understanding of limited venue space.
 - j) Sponsor's name and logo shall be included on appropriate general event signage used to promote the Event.
 - k) Sponsor shall be included and thanked in daily PA announcements during the Event at a minimum of six (6) times.
 - l) Sponsor is granted ability to use the official Event trademarks and logos in promotions, marketing material, website and the like.
 - m) Producer will provide a banner to be hung at the Tahoe City Visitor Information Center stating that NLTRA is an official sponsor.

- n) Producer is responsible to continue all fundraising activities and mechanisms that have been used in the past to maintain additional sources of funding.
- o) Producer agrees not to apply for or obtain any other marketing or event funding for the Event through the NLTRA.
- p) Producer will provide a P&L and event recap within 60 days of the completion of the Event.
- q) The Shows will be marketed on the same poster, rack cards, and print advertisements (“Marketing Materials”). Event is responsible for the development and cost of graphic design and final layered Adobe Illustrator working file for The Shows 11” x 17” poster to be used in-market and to be resized by NTBA and TCDA for other marketing purposes. Event will provide Sponsor with the opportunity to proof and provide feedback for the poster design prior to going to press.

4. Obligations of Sponsor to Producer/Event:

- a) Sponsor shall provide a \$10,000 cash sponsorship to the Event. Event will submit an invoice for payment at least 30 days prior to a due date of March 1.
- b) Event shall receive email marketing support with inclusion in the following:
 - i. First article in early June email sent to entire NLTRA database with a call to action directing to the GTN.com 4th of July landing page. This article will include information on NTBA and TCDA fireworks.
 - ii. One (1) dedicated email to Chamber database in mid-May, requesting sponsors and donation for the Event with call to action to contact Event directly.
 - iii. Two (2) dedicated emails to Chamber database in late-May and/or June, requesting volunteer support for the Event; dates to be mutually agreed upon in April
- c) Event shall receive social media support with the following:
 - i. Three (3) social posts on North Lake Tahoe social pages to drive lodging via the GTN.com 4th of July landing page. Posts will take place four, five and six weeks prior to the Event date; dates to be mutually agreed upon in April
 - ii. Two (2) social posts on Chamber social pages to drive sponsorships and donations with a call to action to contact Event directly. Posts will take place the first two weeks of June prior to the Event.
- d) Sponsor to develop landing page on GTN.com highlighting 4th of July regional activities including Event. This page will be used for all marketing call to action efforts. The page will include a “Book Now” button.
- e) List Event on the event calendar on the NLTRA website (www.GoTahoeNorth.com).
- f) Event will be one of four rotating “Featured Events” on GTN.com homepage starting Memorial Day Weekend.
- g) Sponsor will assist leveraging relationships with area resorts in April/May for potential additional sponsorships and/or packages to drive attendance and assist in marketing the destination to ski resort databases.
- h) For any and all joint marketing efforts to promote the Event, both organizations will work together on the materials and will have joint approvals.
- i) Producer will provide Sponsor an acceptable Certificate of Insurance naming Sponsor as an additional insured (\$1,000,000 per occurrence, \$2,000,000 general aggregate).

5. Use of Intellectual Property. Sponsor hereby acknowledges and agrees that (i) all right, title and interest in the name, logos, trademarks, copyrights and other intellectual property rights of Producer, including, without limitation, the Event Marks; the Event; and all accounts, descriptions, pictures, videos, audio, reproductions, recordings, memorializations or other information concerning or in connection with the Event, belongs exclusively to Producer, (ii) Sponsor may use Producer Properties only in the manner and for the uses expressly permitted hereunder, and upon expiration or termination of this Agreement, all rights of Sponsor to use such Producer Properties shall immediately cease, (iii) Sponsor will not adopt or use any term, work, mark or designation which is in any respect confusingly similar to Producer Properties, (iv) all uses of Producer Properties by Sponsor, and all goodwill therefrom, inure to the benefit of Producer, (v) any permitted use of Producer Properties may be used only to indicate a sponsor relationship with the Event and will use ownership marks (such

as ® or ™) and designations (such as "An Official Sponsor") as directed by Producer, and (vi) Event Marks must be used in a complete format, and no abbreviated uses are permitted.

6. Relationship of the Parties. The relationship of Sponsor and Producer hereunder shall be solely that of independent contractors and nothing herein or in any related document or representation shall be construed to create or imply any relationship of employment, agency, partnership or any relationship other than that of independent contractors. Sponsor and Producer acknowledge and agree that each of them is engaged in a separate and independent business and neither shall state, represent or imply any interest in or control over the business of the other.

7. Attorney Fees. In any proceeding or other attempt to enforce, construe or to determine the validity of this Agreement, the non-prevailing party shall pay the reasonable expenses of the prevailing party, including reasonable attorney fees and costs, expert witness fees, fees of consultants and court costs incurred in connection therewith.

8. Counterparts; Scan/Facsimile. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same instrument. This Agreement may be executed and delivered by exchange of scanned or facsimile copies showing the signatures of the parties hereto. Such copies showing the signatures of all Parties hereto shall constitute originally signed copies of the same Agreement requiring no further execution. This Agreement may be enforced by any of the Parties upon scanned or facsimile signatures.

9. Termination. Either party may terminate this Agreement for any reason upon 30 days written notice; provided, that this Agreement may not be terminated for convenience after October 1 of each year. In addition, either party may terminate this Agreement upon 30 days written notice to the other party if that part is in material breach of this Agreement (unless that party cures the breach within 30 days of receiving notice).

IN WITNESS WHEREOF, the parties have caused this document to be executed on the date indicated by their signatures below.

NORTH LAKE TAHOE RESORT ASSOCIATION

By: _____
Name: _____
Title: _____
Date: _____

TAHOE CITY DOWNTOWN ASSOCIATION

By: _____
Name: _____
Title: _____
Date: _____



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2018 Broken Arrow Skyrace Contract Summary

Duration & Timing

- 1-Year Contract
- Event Date: June 15 – 17, 2018
- Location: Squaw Valley

Cash Sponsorship

- \$15,000 (Payment – 100% March 2018)

Key Sponsorship Terms

- NLTRA to receive
 - Name and logo included on digital, print and grassroots media where applicable
 - Name and logo included on Event website home page and sponsor page with a link to GTN.com
 - Name and logo included on appropriate general event signage used to promote the Event
 - Inclusion in daily PA announcements during the Event
 - Three (3) complementary race entries (valid for 26k or VK races)
 - 10X10 booth space at the Event base area
 - Event will include North Lake Tahoe specific questions in a post-event survey.
 - Sponsor information will be included in a minimum of two (2) Event E-blasts/newsletters.

Growth Prospects

- Each year they've had 100% growth YOY
- Goal for 2018 is 1,200 – 1,400 participants
 - Event momentum
 - Adding 12k race on Sunday 6/17 to appeal to less technical athletes
- Event expanding from 2 days to 3 days

2017 Event Recap

June 16 & 17, 2017

Funded: \$20,000

Attendance:	772 (participants), 1,500 – 2,000 additional attendees
Out of Town Participants:	730
Average Night Stay:	2.5
Average Economic Impact:	\$94,329
ROI:	5:1

Results:

The 2017 Broken Arrow Skyrace, part of the 2017 Altra US Skyrunning Series, saw triple digit growth in its second year with participation increasing from 368 to 772. The event collaborated with Salomon and Outside Magazine to generate international media coverage via the online magazine and Salomon's global social team being onsite during the event. UltraRunning Magazine also published a feature article on the event in their September 2017 issue.

The majority of race participants came from California (62%) although they represented 140+ individual cities. There was also representation from 30 states with Oregon (39p), Colorado (33p), Nevada (31p), Utah (19p) and Texas (19p) being the most common. There were also international participants primarily from Mexico (13p) and Canada (12p) however New Zealand, France, Italy, Peru, and Switzerland were also represented.

The event utilized a portion of the sponsorship funds to create a video with Louder Than 11, an adventure media house to tell the story of locals Adrian Ballinger and Emily Harrington as they participated in the race. The video premiered on Outside Magazine Online on August 10, 2017, a media outlet that has over 1.8 million followers between Facebook, Instagram and Twitter.

2018 Broken Arrow Skyrace EVENT SPONSORSHIP AGREEMENT

This EVENT SPONSORSHIP AGREEMENT (this “Agreement”) is made and entered into between Alpenglow Mountain Racing LLC, and the North Lake Tahoe Resort Association, a California nonprofit corporation (“Sponsor”).

1. Event. Alpenglow Mountain Racing LLC is the organizer, owner and operator of “2018 Broken Arrow Skyrace” which will take place on June 15 – 17, 2018 at Squaw Valley, Placer County, California (the “Event”). Sponsor desires to obtain, and Alpenglow Mountain Racing LLC desires to grant, sponsorship rights to the Event, as set forth in this Agreement.

2. Obligations of Event to Sponsor: Sponsor will be incorporated into the Event marketing and will receive the following benefits:

- a) Sponsor shall be granted the ability to create unique onsite activations.
- b) Sponsor’s name and logo shall be included on digital, print and grassroots media where applicable.
- c) Sponsor’s name and logo shall be included on the 2018 Broken Arrow Skyrace website home page and sponsor page, listed as a partner, with a link to www.GoTahoeNorth.com.
- d) Sponsor’s name and logo shall be included on appropriate general event signage used to promote the Event.
- e) Sponsor shall be included in daily PA announcements during the Event.
- f) Sponsor is granted ability to use the official Broken Arrow Skyrace trademarks and logos in promotions, marketing material, website and the like.
- g) Sponsor shall receive three (3) complementary race entries (valid for the 26k or VK races) which can be used for giveaways and/or staff.
- h) Sponsor shall receive 10X10 booth space that Sponsor will staff at the Event base area.
- i) Event will include North Lake Tahoe specific questions in a post-event survey. Questions will be agreed upon prior to survey being sent.
- j) Sponsor information will be included in a minimum of two (2) Event E-blasts/newsletters.

3. Obligations of Sponsor to Event:

- a) Sponsor shall provide a \$15,000 cash sponsorship to the Event.
- b) For any and all joint marketing efforts to promote the Event, both organizations will work together on the materials and will have joint approvals.
- c) List 2018 Broken Arrow Skyrace on the event calendar on the NLTRA website (www.GoTahoeNorth.com).
- d) Alpenglow Mountain Racing LLC will provide Sponsor an acceptable Certificate of Insurance naming Sponsor as an additional insured (\$1,000,000 per occurrence, \$2,000,000 general aggregate).

4. Use of Intellectual Property. Sponsor hereby acknowledges and agrees that (i) all right, title and interest in the name, logos, trademarks, copyrights and other intellectual property rights of Alpenglow Mountain Racing LLC, including, without limitation, the Event Marks; the Event; and all accounts, descriptions, pictures, videos, audio, reproductions, recordings, memorializations or other information concerning or in connection with the Event, belongs exclusively to

Alpenglow Mountain Racing LLC, (ii) Sponsor may use Alpenglow Mountain Racing LLC Properties only in the manner and for the uses expressly permitted hereunder, and upon expiration or termination of this Agreement, all rights of Sponsor to use such Alpenglow Mountain Racing LLC Properties shall immediately cease, (iii) Sponsor will not adopt or use any term, work, mark or designation which is in any respect confusingly similar to Alpenglow Mountain Racing LLC Properties, (iv) all uses of Alpenglow Mountain Racing LLC Properties by Sponsor, and all goodwill therefrom, inure to the benefit of Alpenglow Mountain Racing LLC, (v) any permitted use of Alpenglow Mountain Racing LLC Properties may be used only to indicate a sponsor relationship with the Event and will use ownership marks (such as ® or ™) and designations (such as “An Official Sponsor”) as directed by Alpenglow Mountain Racing LLC, and (vi) Event Marks must be used in a complete format, and no abbreviated uses are permitted.

5. Relationship of the Parties. The relationship of Sponsor and Alpenglow Mountain Racing LLC hereunder shall be solely that of independent contractors and nothing herein or in any related document or representation shall be construed to create or imply any relationship of employment, agency, partnership or any relationship other than that of independent contractors. Sponsor and Alpenglow Mountain Racing LLC acknowledge and agree that each of them is engaged in a separate and independent business and neither shall state, represent or imply any interest in or control over the business of the other.

6. Attorney Fees. In any proceeding or other attempt to enforce, construe or to determine the validity of this Agreement, the non-prevailing party shall pay the reasonable expenses of the prevailing party, including reasonable attorney fees and costs, expert witness fees, fees of consultants and court costs incurred in connection therewith.

7. Counterparts; Scan/Facsimile. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same instrument. This Agreement may be executed and delivered by exchange of scanned or facsimile copies showing the signatures of the parties hereto. Such copies showing the signatures of all Parties hereto shall constitute originally signed copies of the same Agreement requiring no further execution. This Agreement may be enforced by any of the Parties upon scanned or facsimile signatures.

IN WITNESS WHEREOF, the parties have caused this document to be executed on the date indicated by their signatures below.

NORTH LAKE TAHOE RESORT ASSOCIATION

ALPENGLOW MOUNTAIN RACING LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Liberty Mutual Insurance NASTAR National Championships

Date: March 21 – 25, 2018
Location: Squaw Valley | Alpine Meadows
Requested Sponsorship: \$5,000

Event Summary:

The Liberty Mutual Insurance NASTAR National Championships is a 4-day season-ending festival celebrating alpine racing, camaraderie and competition. Recreational ski racers from across the US, within the NASTAR program, qualify and are invited to compete against peers in alpine and non-alpine divisions of all ages and abilities. Each year select US Ski Team athletes attend the event which gives participants the opportunity to meet and interact with their favorite athletes of the sport. The event includes races, live music, autograph signings, ski demos & clinics, a sponsor village, opening & award ceremonies and receptions and more.

Attendees: Estimated 2,500 – 3,000 (est. 1,500 - competitors, remaining are friends/family)
Registration Opens: December 15, 2017

Notes:

- Squaw is offering an incentive to drive longer stays with a “4 Lift Tickets and Get 5th for Free” program
- Squaw has entered into a 2-year agreement for the 2018 and 2019 events.

2017 NASTAR National Championships Survey Results:

Overnight Ski Trips in Past Year

- 22% took 1 overnight ski trip
- 19% took 2 overnight ski trips
- 14% took 3 overnight ski trips
- 30% took 4+ overnight ski trips

- 49% Mountain Biking
- 35% Kayaking
- 30% Running
- 25% Rafting
- 19% Climbing
- 18% Snowmobiling

Length of Longest Ski Trip in Past Year

- 3% - 1 day
- 10% - 2 days
- 13% - 3 days
- 62% - 4+ days

Number of Family Members that Attended Championships

- 32% - 1
- 26% - 2
- 13% - 3
- 20% - 4
- 9% - 5

Other Activities of Interest

- 62% Hiking
- 53% Road Biking

Obligations of NLTRA

- \$5,000 Cash Sponsorship
- Outreach to local businesses to solicit discounts/special offerings for event participants
- Assistance with communicating traffic plan for event weekend regionally (non-paid media)

Obligations of Squaw Valley

- 10x10 booth space and banner placement on-site during Event
- Inclusion in daily PA announcements during the Event
- Four (4) complementary VIP tickets
- Ability to include information/gifts in the participant gift bags (approx. 2,500)
- Name and logo on the Event page listed as a partner, with a link to GTN.com
- Name and logo shall be included in two (2) event specific eblasts.
- Inclusion of NLT specific questions in a post-event survey.



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Liberty Mutual Insurance NASTAR National Championships EVENT SPONSORSHIP AGREEMENT

This EVENT SPONSORSHIP AGREEMENT (this “Agreement”) is made and entered into between Squaw Valley | Alpine Meadows (“Producer”), and the North Lake Tahoe Resort Association, a California nonprofit corporation (“Sponsor”).

1. Event. Squaw Valley | Alpine Meadows is the organizer and host of “Liberty Mutual Insurance NASTAR National Championships” which will take place on March 21 – 25, 2018 at Squaw Valley, Placer County, California (the “Event”). The Event is owned, controlled and/or directed by the US Ski and Snowboard Association. Sponsor desires to obtain, and Producer desires to grant, sponsorship rights to the Event, as set forth in this Agreement.

2. Obligations of Producer/Event to Sponsor: Sponsor will be incorporated into the Event marketing and will receive the following benefits:

- a) Sponsor banner placement on-site during Event.
- b) Sponsor shall be included in daily PA announcements during the Event.
- c) Sponsor shall receive four (4) complementary VIP tickets can be used for giveaways and/or staff.
- d) Sponsor has the ability to include information/gifts in the participant gift bags (approx. 2,500).
- e) Sponsor shall receive 10X10 booth space that Sponsor will staff at the Event base area.
- f) Sponsor’s name and logo shall be included on the Event website home page and sponsor page, listed as a partner, with a link to www.GoTahoeNorth.com.
- g) Sponsor’s name and logo shall be included in two (2) event specific eblasts.
- h) Sponsor is granted ability to use the official Event trademarks and logos in promotions, marketing material, website and the like.
- i) Event will include North Lake Tahoe specific questions in a post-event survey. Questions will be agreed upon prior to survey being sent.

3. Obligations of Sponsor to Producer/Event:

- a) Sponsor shall provide a \$5,000 cash sponsorship to the Event.
- b) Sponsor will reach out to local businesses to solicit discounts/special offerings for event participants.
- c) Sponsor will assist with communicating a traffic plan for the event weekend regionally (non-paid media).

4. Use of Intellectual Property. Sponsor hereby acknowledges and agrees that (i) all right, title and interest in the name, logos, trademarks, copyrights and other intellectual property rights of Producer, including, without limitation, the Event Marks; the Event; and all accounts, descriptions, pictures, videos, audio, reproductions, recordings, memorializations or other information concerning or in connection with the Event, belongs exclusively to Producer, (ii) Sponsor may use Producer Properties only in the manner and for the uses expressly permitted hereunder, and upon expiration or termination of this Agreement, all rights of Sponsor to use such Producer Properties shall immediately cease, (iii) Sponsor will not adopt or use any term, work, mark or designation which is in any respect confusingly similar to Producer Properties, (iv) all uses of Producer Properties by Sponsor, and all goodwill therefrom, inure to the benefit of Producer, (v) any permitted use of Producer Properties may be used only to indicate a sponsor relationship with the Event and will use ownership marks (such

as ® or ™) and designations (such as “An Official Sponsor”) as directed by Producer, and (vi) Event Marks must be used in a complete format, and no abbreviated uses are permitted.

5. Relationship of the Parties. The relationship of Sponsor and Producer hereunder shall be solely that of independent contractors and nothing herein or in any related document or representation shall be construed to create or imply any relationship of employment, agency, partnership or any relationship other than that of independent contractors. Sponsor and Producer acknowledge and agree that each of them is engaged in a separate and independent business and neither shall state, represent or imply any interest in or control over the business of the other.

6. Attorney Fees. In any proceeding or other attempt to enforce, construe or to determine the validity of this Agreement, the non-prevailing party shall pay the reasonable expenses of the prevailing party, including reasonable attorney fees and costs, expert witness fees, fees of consultants and court costs incurred in connection therewith.

7. Counterparts; Scan/Facsimile. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same instrument. This Agreement may be executed and delivered by exchange of scanned or facsimile copies showing the signatures of the parties hereto. Such copies showing the signatures of all Parties hereto shall constitute originally signed copies of the same Agreement requiring no further execution. This Agreement may be enforced by any of the Parties upon scanned or facsimile signatures.

IN WITNESS WHEREOF, the parties have caused this document to be executed on the date indicated by their signatures below.

NORTH LAKE TAHOE RESORT ASSOCIATION

SQUAW VALLEY | ALPINE MEADOWS

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____



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Lake Tahoe Autumn Food & Wine Festival

Event Recap

Date: September 8 – 10, 2017
Funded: \$30,000

Attendance: 2,000+ (1,348 ticketed)
Out of Town Participants: 1,340
Average Night Stay: 3.1
Average Economic Impact: \$316,815
ROI: 11:1

Summary

- PR outreach increased to 170M impressions with over 100 pre-event articles
 - 2016 had less than 10 pre-event articles
 - 30% Bay Area Coverage*
 - 50% Uber High Net Worth Coverage*
 - 23% National Coverage*
 - *stats not mutually exclusive
- PR Hits (Due to TAA efforts)
 - 18 placements
 - \$23,877 publicity value
 - 12 media visits
 - 14 original social media posts
 - 142,000 reach/3,191 engagements
 - Featured in 2 North Lake Tahoe blogs and one newsletter
- Ticket sales decreased 21% compared to 2016
 - 1,394 vs. 1,774
- Ticket revenue decreased 16% compared to 2016
 - \$59k vs. \$70k
- Northstar Lodging increased for the event weekend compared to 2016
- Utilized Clean Vibes for first time – 56% of waste was diverted from landfills
- Media Outreach Highlights
 - 555,900 Impressions
 - 376,00 Social Reach

Lodging

- Northstar Occupancy YOY during AF&W Weekend

	Friday	Saturday	Sunday
FY16	18.4%	38.4%	15.7%
FY17	27.6%	52.5%	17.1%
FY18	49.4%	65.2%	22%

- Northstar tracked 15 room nights utilized by AF&W vendors
- Lodging Updates for 2018 Event

- Northstar will be proactive tracking event lodging, utilizing a lodging code
- Northstar will explore including a benefit that event ticket holders receive at check-in to help track groups lodging for the event.

2018 Opportunities

- Brand refresh
 - At NLTRA staff recommendation – approximate quote \$3,500
- Increase venue space during event – utilize Beach area, 3rd party tenant spaces
- Refresh marketing plan to expand audience reach within the Bay Area and SoCal
- Leverage partnerships with vendors for promotion in wine country regions
- Open restaurant participation up to Sacramento and Bay Area
- Ticketing and prospecting vendors to start in early 2018



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MEMORANDUM

Date: 12/1/17

To: NLTRA Board of Directors

From: Cindy Gustafson, CEO
Ron Treabess, Director of Community Partnerships and Planning

RE: Discussion and Possible Approval to Accept the Update Report:
The Economic Significance of Travel to North Lake Tahoe 2003 to 2016

Action Requested:

Board of Directors approve the acceptance of *The Economic Significance of Travel to North Lake Tahoe 2003 to 2016* report prepared by Dean Runyan Associates. Direct staff to post the report on the NLTRA website, request posting on the County website and coordinate presentations with area groups.

Background:

The Board of Directors unanimously approved the consultant contract with Dean Runyan Associates (DRA) on April 5, 2017, utilizing funding available in the 2016/17 Research and Planning budget. The purpose of this study is the continued documentation of the economic significance of the travel industry in the North Lake Tahoe Area. DRA has previously prepared this report for the North Lake Tahoe Resort Association in 2002, 2008, and 2013.

The Economic Significance of Travel to North Lake Tahoe 2003 to 2016 report has been completed within the approved Scope of Work, budget, and completion date. Leon Aliski, Dean Runyan Associates, will be at the Board meeting to present the report findings and answer questions.

Key Findings:

- Some key facts in the Executive Summary related to visitor spending and direct travel-generated impacts between 2012 and 2016 include:
 - Visitor spending: \$647.2 million in 2016 vs. \$487.3 million in 2012.
 - Providing 6,450 jobs in 2016 compared to 5,720 in 2012.
 - With earnings of \$215 million in 2016 compared to \$166 million in 2012.
 - Generation of \$18.2 million in local tax receipts in 2016 vs. \$12 million in 2012.
 - Generation of \$16 million in state tax receipts in 2016 vs. \$13.9 million in 2012.

The Economic Significance of Travel to the North Lake Tahoe Area *2003-2016 Detailed Visitor Impact Estimates*

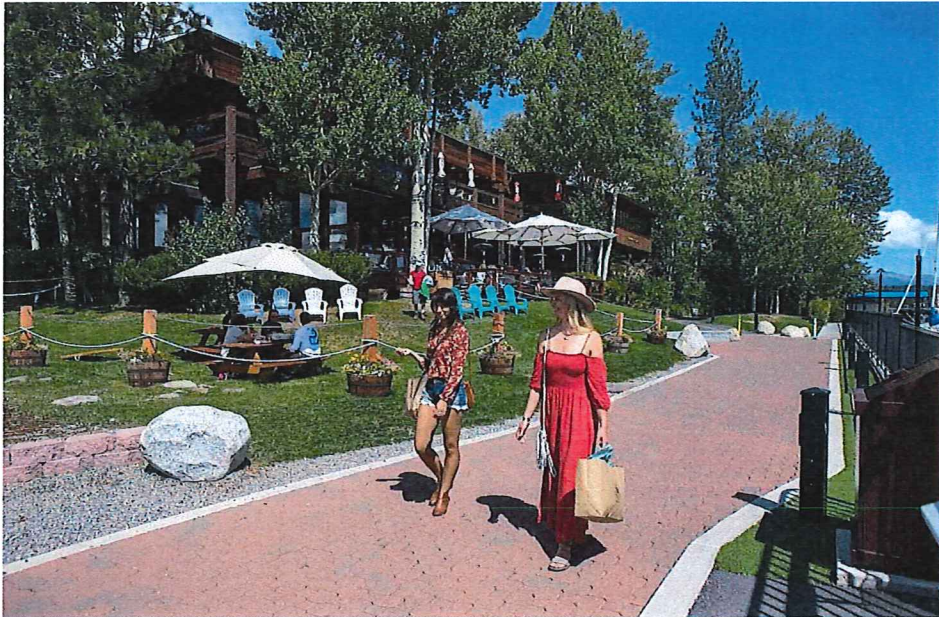


photo credit: R. Salm

October 2017

Prepared for the

North Lake Tahoe Resort Association
Placer County
North Lake Tahoe, California

The Economic Significance of Travel to the North Lake Tahoe Area

2003-2016 Detailed Visitor Impact Estimates

October 2017

prepared for the

North Lake Tahoe Resort Association & Placer County
North Lake Tahoe, California

Dean Runyan Associates
833 SW Eleventh Avenue, Suite 920
Portland OR 97205
503.226.2973
www.deanrunyan.com

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EXECUTIVE SUMMARY

The Economic Significance of Travel to the North Lake Tahoe Area: Detailed Visitor Impact Estimates, 2003-2016 describes the economic impacts associated with all visitor spending in the North Lake Tahoe Area of Placer County. Direct travel-generated impacts accounts for nearly \$647 million in visitor spending, providing over 6,400 jobs with earnings of \$215 million made by employees and business owners throughout the North Lake Tahoe Area.

North Lake Tahoe Area Visitor Spending and Related Impacts, 2003-2016 *Direct Travel-Generated Impacts Only*

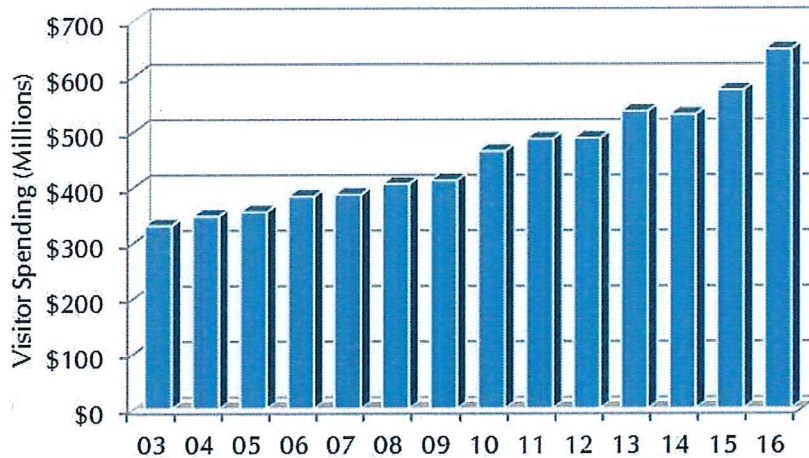
	Visitor Spending (\$ Million)	Earnings (\$ Million)	Employment (jobs)	Tax Receipts	
				Local (\$ Million)	State (\$ Million)
2003	330.4	106.5	4,910	8.2	8.6
2004	347.1	112.0	5,020	8.4	9.4
2005	354.5	114.2	5,000	8.5	9.8
2006	382.5	123.7	5,030	9.3	10.7
2007	386.0	124.6	4,960	9.3	10.9
2008	405.0	130.5	5,090	9.8	11.5
2009	411.3	128.1	5,020	9.4	12.8
2010	464.1	155.8	5,620	11.4	14.8
2011	486.0	161.4	5,830	11.9	14.6
2012	487.3	166.0	5,720	12.0	13.9
2013	536.0	180.8	6,050	13.9	13.9
2014	530.0	185.6	5,920	13.9	13.7
2015	574.0	202.9	6,240	15.6	14.6
2016	647.2	214.5	6,450	18.2	16.0
Annual Percentage Change					
03-16	5.3%	5.5%	2.1%	6.4%	4.9%
15-16	12.8%	5.7%	3.4%	16.5%	9.7%

Source: Dean Runyan Associates

Note: State Tax Receipts affected by changes in state sales tax rate.

Visitor spending also generates local tax receipts (transient occupancy and sales taxes) of \$18.2 million, and state tax receipts (sales taxes, gasoline taxes, business and personal income taxes) of \$16.0 million.

Total Visitor Spending in North Lake Tahoe Area, 2003-2016



Note: Visitor spending not adjusted for inflation.
Source: Dean Runyan Associates

The following table and pie charts provide an overview of all the visitor-generated economic impacts for the North Lake Tahoe Area. The table *Earnings and Employment Generated by Visitor Spending in North Lake Tahoe Area, 2016* shows the proportion of visitor-generated earnings and employment as a percent of the North Lake Tahoe Area’s total economy. Visitor spending in the area generates 60 percent of employment, and about half (51%) of all earnings in the North Lake Tahoe Area.

The bulk of area’s employment and earnings are generated through visitor spending made for lodging accommodations (including rented homes and condominiums), food services, and recreation throughout the North Lake Tahoe Area. The re-spending of travel-generated earnings by employees and businesses (referred to as secondary impacts) created over 1,300 additional jobs with earnings of \$45.6 million. In addition, construction and real estate activity associated with vacation homes generated approximately 1,100 more jobs with associated earnings of \$64.7 million.

Earnings & Employment Generated by Visitor Spending in North Lake Tahoe Area, 2016

Visitor-Generated Impacts

	Direct	Secondary	Vacation Home	Vistor- Related	Area Total	Percent Visitor
Earnings (\$Millions)						
Leisure and Hospitality Serv.	201	7.2	0.0	208.6	214.2	97%
Retail & Misc. Services	13	6.4	0.0	19.5	74.2	26%
Construction	0	3.7	47.5	51.2	98.7	52%
Real Estate, Rental & Leasing	0	1.1	17.2	18.3	35.5	52%
All Other	<u>0</u>	<u>27.3</u>	<u>0.0</u>	<u>27.3</u>	<u>217.1</u>	<u>13%</u>
Total	\$215	\$45.6	\$64.7	\$324.8	\$639.8	51%
Employment (Number of Jobs)						
Leisure and Hospitality Serv.	6,020	333	0	6,353	6,830	93%
Retail & Misc. Services	430	316	0	746	2,329	32%
Construction	0	51	920	971	1,887	51%
Real Estate, Rental & Leasing	0	138	257	395	652	61%
All Other	<u>0</u>	<u>495</u>	<u>0</u>	<u>495</u>	<u>3,585</u>	<u>14%</u>
Total	6,450	1,334	1,177	8,961	15,283	59%

Source: Dean Runyan Associates

Note: Leisure and Hospitality Servies includes employment associated with the rental of homes and condominiums. Vacation Home estimates were judgmental based on workforce characteristics and factors described in the previous section of this report. Area total includes wage & salary employment only. Self-employed are not included.

Total employment increased 17% from 2012, an increase of about 4% per year. The employment for visitor related increased 14% from 2012. Total earnings increased 30% from 2012, an increase of about 7% per year. The visitor related earnings increased at the same 30% rate. The proportions of visitor related employment and earnings remained relatively unchanged.

**Visitor-Related Share of Total Employment
North Lake Tahoe Area, 2016**



Total Employment: 15,283

Source: Dean Runyan Associates and California Employment Development Department.

**Visitor-Related Share of Total Payroll Generated Earnings
North Lake Tahoe Area, 2016**



Total Payroll Generated Earnings: \$639.8 Million

Source: Dean Runyan Associates and California Employment Development Department.

The pie charts above highlight the share of visitor impacts as a proportion of all employment and earnings for the North Lake Tahoe Area.

PREFACE

The purpose of this study is to document the economic significance of the travel industry in the North Lake Tahoe Area. Detailed estimates of travel spending, the employment and earnings generated by this spending, and travel-generated tax receipts from 2003 through 2016 are provided in this report. In addition, the report provides visitor volume estimates as well as the secondary impacts associated with visitor spending.

Dean Runyan Associates prepared this study for the North Lake Tahoe Resort Association. Dean Runyan Associates has specialized in research and planning services for the travel, tourism and recreation industry since 1984. With respect to economic impact analysis, the firm developed and currently maintains the Regional Travel Impact Model (RTIM), a proprietary computer model for analyzing travel economic impacts at the state, regional and local level. Dean Runyan Associates also has extensive experience in project feasibility analysis, market evaluation, survey research, and travel and tourism planning.

Many individuals and agencies provided invaluable information for this report. Among the organizations involved in this effort were the Revenue Services Division of the Placer County Department of Administrative Services and the California Employment Development Department. Federal agencies include the U.S. Census Bureau and the Bureau of Economic Analysis.

Finally, special thanks are due to Ron Treabess, Director of Partnerships and Community Planning, and, Andy Chapman, Marketing Consultant for the North Lake Tahoe Resort Association. Without their support and assistance, this report would not have been possible.

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1. INTRODUCTION

Visitors traveling to the North Lake Tahoe Area generate a substantial portion of the area's economic activity. The local economy depends on visitors and owners of vacation homes who contribute significantly, as do many businesses that provide overnight accommodations, food and beverage service, and year round outdoor recreation opportunities including the largest concentration of ski resorts in the U.S. Further, the viability of many other types of businesses within the area is linked to the visitor industry. Throughout the North Lake Tahoe Area, visitors generate valuable sales receipts, earnings, employment and tax receipts for Placer County, as well as the state of California.

OBJECTIVES

This report describes the economic impacts of travel to the North Lake Tahoe Area from 2003 through 2016. In addition, this report includes estimates of the secondary (indirect and induced) impacts associated with visitor spending. A primary objective of this research is to provide reliable, detailed estimates, which allow for year-to-year comparisons to help guide decision making for planning, policy and marketing purposes. Specific objectives include:

- Provide an economic overview of the North Lake Tahoe Area.
- Estimate the direct economic impacts of visitor spending.
- Estimate the impact of secondary businesses that are supported by the North Lake Tahoe Area visitor industry.

DATA SOURCES

This analysis makes use of numerous data sources, including but not limited to:

- County-level employment and personal income data from the Bureau of Economic Analysis' Regional Economic Information System (REIS)
- Payroll and employment data from the California Employment Development Department
- Room tax receipts and other sales tax data from Placer County Department of Administrative Services
- US Census Bureau population and housing data
- Property tax data from the Placer County Tax Assessor
- Study area employment and earnings data from Minnesota Implan Group, Inc.
- Survey data on visitor spending from TNS Global Research

REPORT CONTENTS

Following this introductory chapter, Chapter 2 provides an overview of the spending impacts of visitors to the North Lake Tahoe Area. Chapter 3 provides a comprehensive view of the area's earnings and employment, as well as the associated visitor-generated impacts. State and local tax impacts are presented in Chapter 4, and Chapter 6 provides a summary overview.

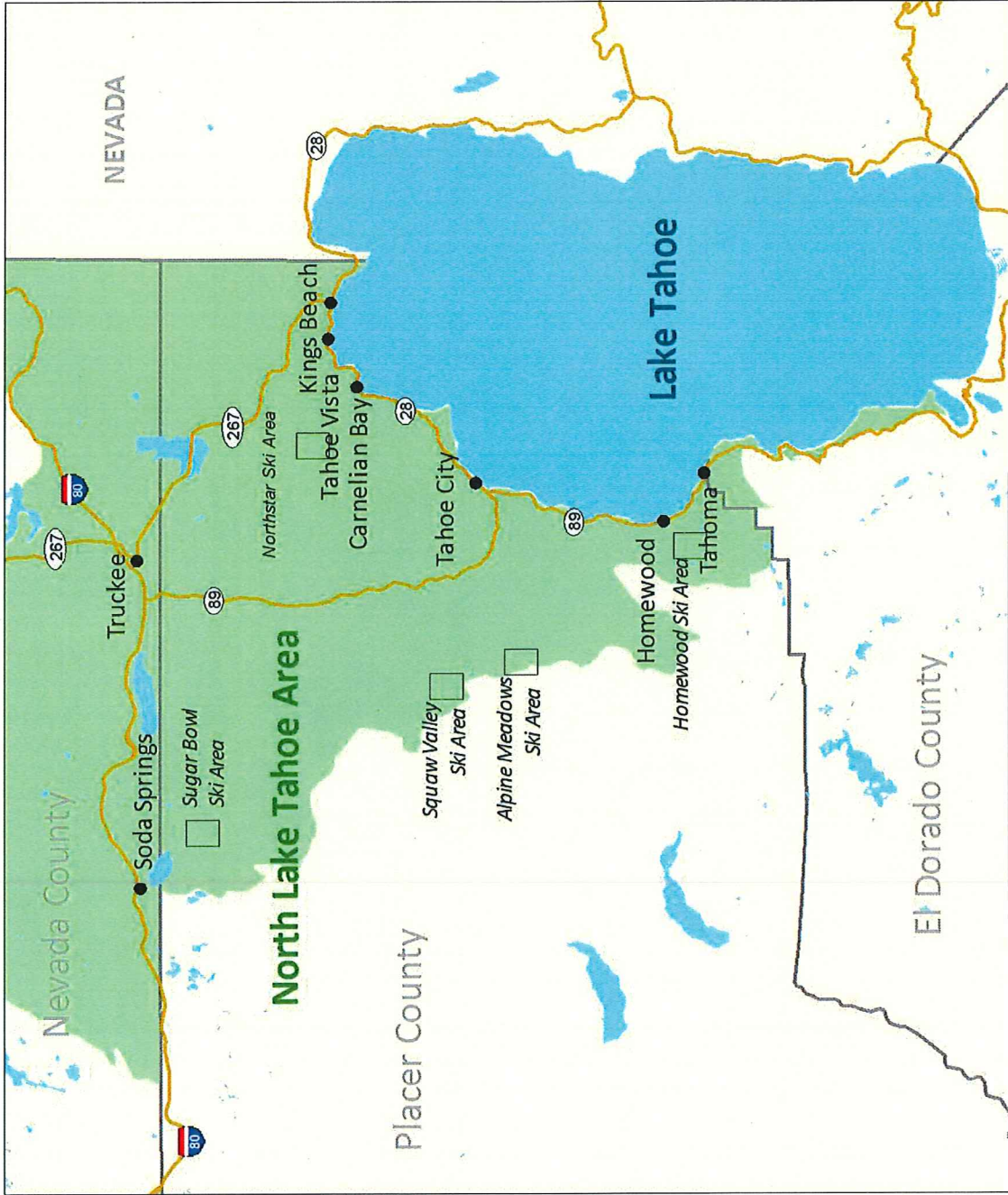
STUDY AREA

The area of study (see map on following page) is located in the central Sierra Nevada mountain range and encompasses the entire portion of Placer County east of the Sierra Crest, which stretches from Donner Summit on the Interstate 80 corridor southward through the Martis Valley, and through the Truckee River Corridor to the North Shore of Lake Tahoe. The area includes the communities of Tahoe City, Tahoe Vista and Kings Beach, as well as a significant portion of Tahoma (the city of Tahoma is divided between the counties of Placer and El Dorado). The study area includes the resorts of Squaw Valley, Alpine Meadows, Sugar Bowl, Homewood, and Northstar, as well as the Granlibakken Tahoe Resort.

It is important to note that the North Lake Tahoe Area lies adjacent to key visitor service and residential locations outside Placer County, which include:

- The Town of Truckee, with a population about 16,000, and the area around Donner Lake (most of which lies within the city limits of Truckee) serve as a destination and gateway for many visitor activities. Interstate 80, a major east-west transportation corridor, passes through the Town of Truckee and connects Northern California with Northern, Nevada.
- Located in the state of Nevada approximately 40 miles from the Reno/Tahoe International Airport, the lakeside communities of Crystal Bay and Incline Village offer a variety of options for lodging, food and beverage service, gaming, entertainment, and recreation, including the ski resorts of Mt. Rose Ski Tahoe and Diamond Peak.
- Located along the west shore of Lake Tahoe, the Placer/El Dorado County boundary divides the town of Tahoma.

Figure 1-1



2. VISITOR VOLUME AND SPENDING

The visitor industry is the primary source of economic activity for the North Lake Tahoe Area. This section provides an overview of the spending impacts of visitors to the North Lake Tahoe Area from 2003 through 2016. This section also provides visitor volume estimates for a single year (2016). These visitor volume estimates provide a rough measure of the level of visitation and, with other data, demonstrate the validity of the visitor estimates. Detailed earnings and employment impacts directly derived from visitor spending are provided in Section 3.

MEASUREMENT OF TRAVEL IMPACTS

The estimates of the direct impacts associated with traveler spending in the North Lake Tahoe Area were produced using the Regional Travel Impact Model (RTIM) developed by Dean Runyan Associates. The input data used to detail the economic impacts of the travel industry in the North Lake Tahoe Area were gathered from various local, state and federal sources.

Travel impacts consist of estimates of travel spending and the employment, earnings, and state and local taxes generated by this spending. Estimates of travel spending are also broken out by type of traveler accommodation, by primary mode of transportation, and by type of commodity purchased.

The RTIM was calibrated specifically to represent the unique characteristics of the travel industry in the North Lake Tahoe Area. However, it is important to recognize the limitations of the estimates reported herein. In particular:

The North Lake Tahoe Area is not a coherent economic region in terms of a visitor market, a labor market and producer markets (see the discussion of Study Area in the preceding section). This necessarily complicates and limits the estimation of visitor impacts. In addition, because of the geographic scope of the North Lake Tahoe Area, some of the economic information used to make this impact analysis was inferred from data available for larger (e.g., county) jurisdictions.

A description of RTIM methodology is included in Appendix A.

TYPES OF TRAVELER ACCOMMODATION

Travelers are classified according to the type of accommodation in which they stay or as a day visitor to the area. The types of travelers are as follows:

Hotel/Motel/B&B. There are approximately 2,100 rooms or units for accommodations of this type in North Lake Tahoe. A transient occupancy tax is collected on the rental of these accommodations.

Rented Condo/Home. Transient Occupancy Taxes are also collected on the rental of condominiums or privately owned homes for rental periods of less than

thirty days.¹ There are approximately 1,700 condos and properties available for rent in the North Lake Tahoe area. It should be noted that this estimate does not include Airbnb or other similar services.

Private/Vacation Home. There are approximately 18,500 vacation homes in North Lake Tahoe Area that are not owner-occupied and not listed as short-term rentals. The short-term residents and visitors who stay in these vacation homes do not pay rental fees and transient occupancy tax when they are using these accommodations. In addition, there are about 11,000 owner-occupied homes in which some visitors may stay as guests of friends and relatives.

Campgrounds. There are two popular state parks with campgrounds, Donner Memorial and Sugar Pine Point. In addition, there are a number of other campground facilities operated by the State, the U.S. Forest Service, and commercial owners. Altogether, there are approximately 500 campsites available.

Day Travel. Day visitors by definition do not stay overnight in the North Lake Tahoe Area. Normally, this would include a trip of at least 50 miles one-way from home. Thus, a day trip from Sacramento would count as a visit for the purposes of this study. Other day visitors may be staying in visitor accommodations just outside of the North Lake Tahoe Area. Thus, a visitor staying in a rented home in Truckee and visiting the North Lake Tahoe Area during the day would also be counted as a day visitor.²

VISITATION & SPENDING BY TYPE OF TRAVELER ACCOMMODATION

The graphs and tables in this section relate the spending of visitors in the North Lake Tahoe Area to the type and availability of accommodations. The definitions of the variables or categories used follow:

Average Daily Spending The average daily amount spent by each adult visitor on goods and services in the North Lake Tahoe Area. Normally, this includes accommodations, food services, recreation, and other retail expenditures while in the destination area. Transportation expenditures to and from the North Lake Tahoe Area are not included. The primary source of these estimates is visitor survey data.³ Average daily spending by owners of vacation homes (seasonal residents) will include expenditures on some goods and services (e.g., household items) not typically included with visitors of shorter duration. Overall, however, these are a small proportion of total visitor spending. Visitor

¹ The Placer County Assessor distinguishes between those transient occupancy taxes collected from rented condominiums or homes and from hotels, motels or bed & breakfasts.

² It should be noted that the estimate of day travel is the least reliable of all visitor types. It must be estimated primarily from survey data, since measures of accommodation occupancy are not relevant.

³ The survey data provided by RRC Associates was adjusted for annual price changes by Dean Runyan Associates. Dean Runyan Associates also made use of its own camping expenditure data and expenditures of seasonal residents.

spending for seasonal residents does not include mortgage payments, insurance, construction, and durable goods purchases. Expenditures of this type by either full-time or seasonal residents cannot be reliably allocated to North Lake Tahoe area businesses.

Total Visitor Spending The total amount of visitor spending for a particular calendar year. These estimates were generated by the Regional Travel Impact Model for the North Lake Tahoe Area.

Visitor-Days The total number of days of all adult visitors who stayed in the North Lake Tahoe Area during the calendar year. This estimate is computed by dividing total visitor spending by average daily spending. For example, (\$487 million / \$155 average daily spending per person) = 3,143,000 visitor-days.

Persons per Unit The average number of adults staying in each overnight unit of accommodation.

Inventory Estimates of the total available units each day during peak season for each accommodation type (see preceding section).

Occupancy Rate The average daily rate of occupancy for a calendar year. The occupancy rate is computed by dividing the total number of visitor-days by the persons per unit, and dividing this amount by the inventory multiplied by 365 days. For example, (876,000 visitor-days/2.0 persons per unit)/(2,000 rooms x 365 days) = 60% occupancy rate.

Length of Stay The average number of days each visitor stays in the North Lake Tahoe Area on a trip away from home.

Visitors The number of adults visiting the North Lake Tahoe Area on separate trips, including repeat visitors. Computationally, this is equal to visitor-days divided by length of stay.

Note: Several of these variables, including inventory, persons per unit, and length of stay can be adjusted to reflect data availability, without altering the visitor spending estimates.

The following table, *North Lake Tahoe Area Visitor-Days by Type of Overnight Accommodation*, shows the spending of overnight visitors and the associated occupancy rates for each category. Although these rates should be viewed as approximate, they are useful in showing the relative levels of accommodation usage for each type of visitor, and additionally function as a measure of validity of the overall spending estimates. For example, occupancy rates of roughly 60 and 45 percent are reasonable for commercial lodging establishments and rented condominiums in North Lake Tahoe. An occupancy rate of 23 percent for campgrounds can be interpreted to mean that campgrounds in the North Lake Tahoe Area are fully occupied about three months out of the year. An occupancy rate of 7 percent for owned vacation homes indicates that the average vacation home is used by its owner about three weeks during each calendar year. Of course, some vacation homes will be occupied by owners for longer periods of time, while others for less.

North Lake Tahoe Visitor-Days by Type of Overnight Accommodation, 2016

Accommodation	Ave. Daily Spending (per person)	Total Visitor Spending (Million)	Visitor-Days (Thousand)	Persons per Unit	Inventory Estimate	Occupancy Rate
Hotel/Motel/B&B	\$250	\$289	1,155	2.0	2,100	75%
Rented Condo/Home	\$218	\$223	1,021	3.0	1,700	55%
Private/Vacation Home	\$67	\$63	932	2.5	18,500	6%
Campground	\$49	\$6	125	3.0	500	23%
Total Overnight	\$179	\$580	3,233			

Note: Occupancy rate was calculated based on estimated visitor spending and accommodation inventory. Inventory estimate for private/vacation home represents the total of vacant single-family residential, condominium, and time-share housing units not included as rental property above. Total visitor spending was \$647 million for 2016.

Source: Dean Runyan Associates.

The following tables and pie charts in this section provide visitation estimates for all accommodation types and day visitors, as well as overnight visitors traveling to the North Lake Tahoe Area by private motor vehicle (auto, R.V.) or passenger air (primarily Reno/Tahoe International Airport). The pie charts draw attention to the important distinction between the number of visitors (number of adults who visited the area on separate trips, including repeat visitors) and the number of visitor-days (total days spent by all adult visitors in the area). For example, whereas 42 percent of all visitors to the North Lake Tahoe Area are on day trips, only 14 percent of all visitor-days are attributable to day travelers. Intuitively this makes sense since each overnight visitor to the area will spend three or more times the number of visitor-days as compared to a day visitor who does not stay overnight. Conversely, only 9 percent of all North Lake Tahoe Area visitors stay in a private/unpaid vacation home, while 29 percent of all visitor-days are attributed to this type of visitor, as many will spend a period of multiple weeks while on a vacation in the area.

North Lake Tahoe Visitation by Type of Accommodation, 2016

	Ave. Daily Spending (per person)	Total Visitor Spending (Million)	Visitor- Days (Thousand)	Length of Stay (Days)	Visitor- trips (Thousand)
Hotel/Motel/B&B	\$250	\$289	1,155	3.4	339
Rented Condo/Home	\$218	\$223	1,021	3.5	289
Private/Vacation Home	\$67	\$63	932	10.4	90
Campground	\$49	\$6	125	3.5	36
Day Trip	\$128	\$67	523	1.0	523
Total	\$172	\$647	3,756	2.9	1,275

Source: Dean Runyan Associates

North Lake Tahoe Visitation by Type of Accommodation, 2012

	Ave. Daily Spending (per person)	Total Visitor Spending (Million)	Visitor- Days (Thousand)	Length of Stay (Days)	Visitor- trips (Thousand)
Hotel/Motel/B&B	\$233	\$204	876	3.4	257
Rented Condo/Home	\$204	\$158	775	3.5	219
Private/Vacation Home	\$69	\$64	932	10.4	90
Campground	\$47	\$6	125	3.5	36
Day Trip	\$126	\$55	436	1.0	436
Total	\$155	\$487	3,143	3.0	1,037

Source: Dean Runyan Associates

North Lake Tahoe Visitation by Primary Mode of Transportation, 2016

	Ave. Daily Spending (per person)	Total Visitor Spending (Million)	Visitor- Days (Thousand)	Length of Stay (Days)	Visitor- trips (Thousand)
Overnight Total	\$179	\$580	3,233	4.3	753
Air	\$242	\$192	796	5.4	149
Car	\$159	\$388	2,438	4.0	604
Day Total	\$128	\$67	523	1.0	523
Total (Overnight & Day)	\$172	\$647	3,756	2.9	1,275

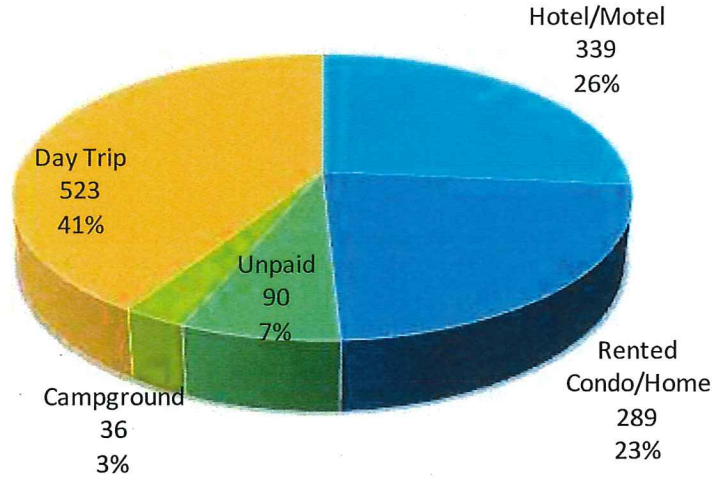
Source: Dean Runyan Associates

North Lake Tahoe Visitation by Primary Mode of Transportation, 2012

	Ave. Daily Spending (per person)	Total Visitor Spending (Million)	Visitor- Days (Thousand)	Length of Stay (Days)	Visitor- trips (Thousand)
Overnight Total	\$160	\$432	2,708	4.5	601
Air	\$221	\$137	618	5.5	113
Car	\$141	\$295	2,090	4.3	488
Day Total	\$126	\$55	436	1.0	436
Total (Overnight & Day)	\$155	\$487	3,143	3.0	1,037

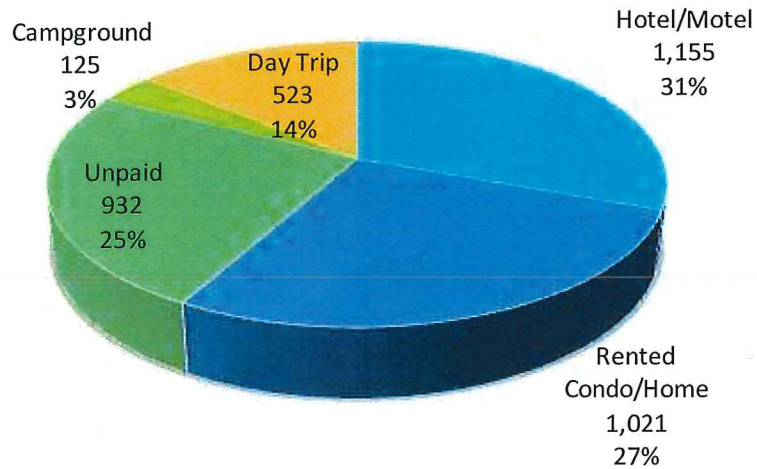
Source: Dean Runyan Associates

**Visitor-Trips to the North Lake Tahoe Area
by Type of Accommodation, 2016**
(thousands)



Source: Dean Runyan Associates

**Visitor-Days in the North Lake Tahoe Area
by Type of Accommodation, 2016**
(thousands)



Source: Dean Runyan Associates

VISITOR SPENDING TRENDS

The following bar chart illustrates the overall trend in visitor spending in the North Lake Tahoe Area from 2003 through 2016. Visitor spending peaked at nearly \$650 million in 2016. Accommodations were responsible for 27 percent of the total, a 4 percent increase in share from 2012. In general, the trend of total visitor spending tracks the trend of accommodations spending, because over two-thirds of all visitor spending in the North Lake Tahoe Area occurs among people who stay overnight in hotels, motels and rented condominiums.

Visitor Spending in the North Lake Tahoe Area by Accommodations and Other Commodities, 2003-2016

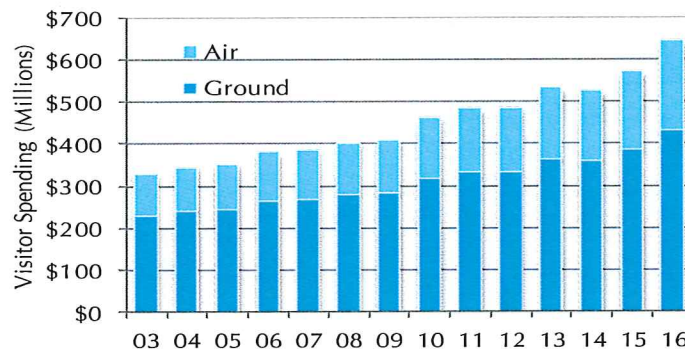


Source: Dean Runyan Associates

Note: Other commodities include recreation, food services, various retail purchases, motor fuel, and miscellaneous services.

The Reno/Tahoe International Airport, located in Reno, Nevada, provides an important transportation link for North Lake Tahoe Area visitors. For the years 2003 through 2016, nearly one-third (33 percent) of total visitor spending was attributable to those who traveled by air, as the primary method of travel to the North Lake Tahoe Area. The air travel proportion in 2012 was 31 percent.

Visitor Spending in the North Lake Tahoe Area by Primary Mode of Transportation, 2003-2016

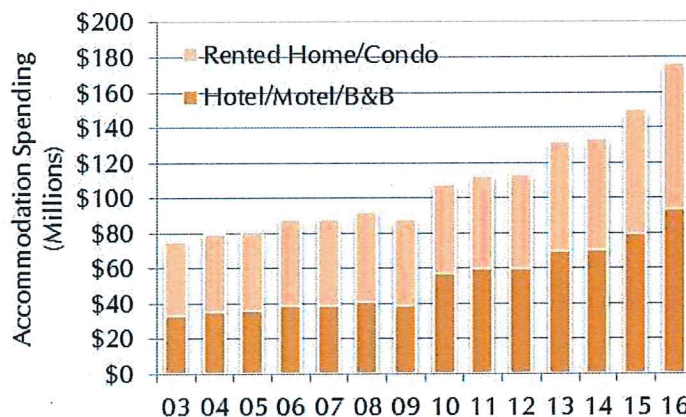


Source: Dean Runyan Associates

Note: Spending on airfare is not included in these total spending estimates.

Spending just for overnight accommodations peaked in 2016 at \$176 million, with almost half (47%) made for rented homes and condos. This proportion remains unchanged from 2012.

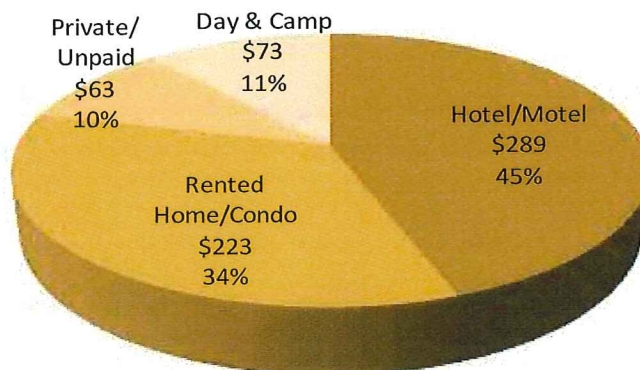
Accommodation Spending in the North Lake Tahoe Area by Type of Lodging, 2003-2016



Source: Dean Runyan Associates

In the chart below, total visitor spending in the North Lake Tahoe Area for 2016 is broken out by type of accommodation (i.e., where visitors spend the night). During 2016, those who stayed overnight in hotels, motels, bed & breakfast inns spent \$289 million (45 percent of visitor spending). In 2012 this sector was 42 percent of the total. Additionally, visitors who stay in rented homes and condominiums spent \$223 million (34 percent of visitor spending). In 2012 these visitors were 32% of the total. Both of these categories have gained a larger share of the total.

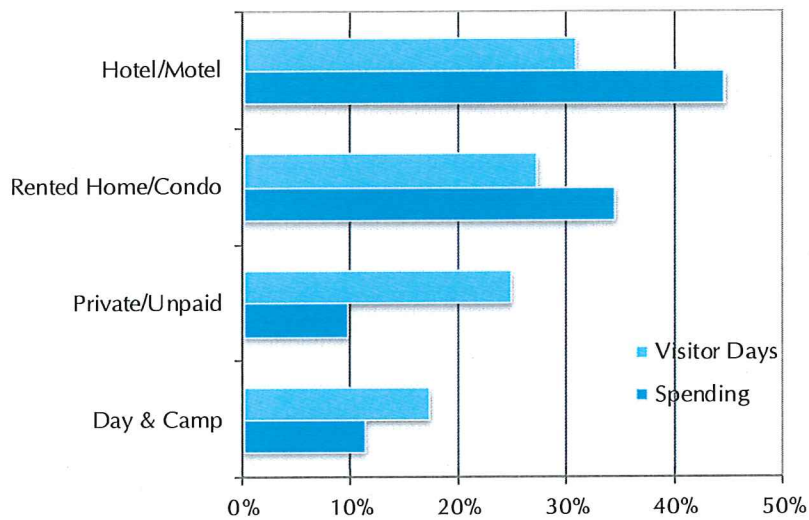
Total Visitor Spending in the North Lake Tahoe Area by Type of Accommodation, 2016
(\$ Million)



Source: Dean Runyan Associates

It is also of interest to compare this spending breakout with visitor volume. For example, while visitors staying in hotels, motels, bed & breakfasts make up 30 percent of the total visitor-days, they comprise 44 percent of all visitor spending. Conversely, those staying in private/unpaid vacation homes account for 25 percent of the visitor-days though just 10 percent of all visitor spending.

**Total Visitor Spending and Visitor-Days in North Lake Tahoe Area
by Type of Accommodation, 2016**



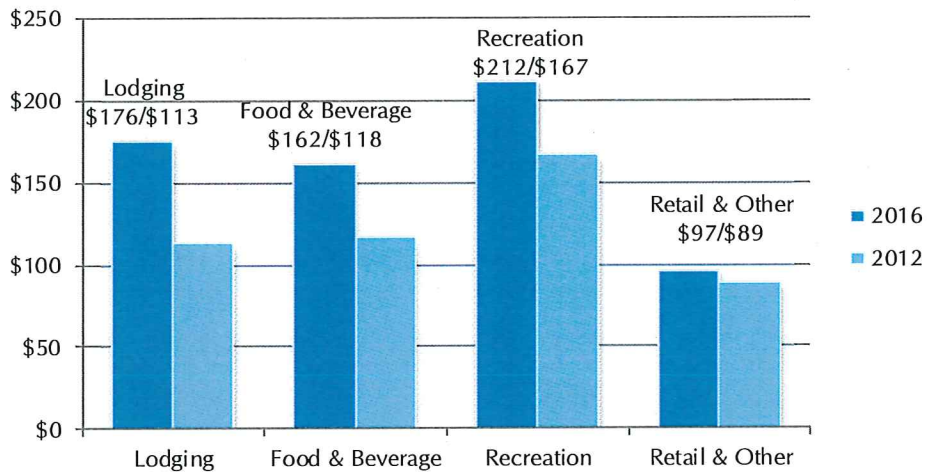
Source: Dean Runyan Associates

Note:

Visitor spending for private/vacation home/time-share does not include mortgage payments, insurance, construction and durable goods purchases. Expenditures of this type by either full-time or seasonal residents cannot be reliably allocated to North Lake Tahoe Area businesses.

The bar chart, *Total Visitor Spending in the North Lake Tahoe Area by Type of Commodity*, provides a breakout of spending by the type of good or service purchased for all categories of visitors. As can be seen, the largest single category is recreation (33 percent). This includes spending on skiing, summer recreational activities, and other entertainment or cultural/artistic events by all categories of visitors (all accommodation types and day visitors.) Spending on Food and Beverage refers to spending on all food and beverages for on-premise consumption. Spending on retail and other includes all retail purchases (including gasoline and groceries) and other miscellaneous goods and services.

**Total Visitor Spending in the North Lake Tahoe Area
by Type of Commodity, 2016**
(\$ Millions)



Source: Dean Runyan Associates

The visitor spending estimates for the North Lake Tahoe Area are presented in the following detailed table.

North Lake Tahoe Visitor Spending, 2005-2016
Direct Impacts Only*

	2005	2010	2012	2013	2014	2015	2016
Spending by Type of Accommodation (\$ Millions)							
Hotel/Motel/B&B	126.0	193.8	204.2	230.0	227.1	250.2	288.6
Rented Home/Condo	120.3	150.1	158.0	178.3	176.1	193.8	222.8
Private/Unpaid	57.9	61.9	64.1	63.2	63.1	62.9	62.8
Day & Campgrounds	50.2	58.3	60.9	64.5	63.7	67.1	72.9
Total Spending	354.5	464.1	487.3	536.0	530.0	574.0	647.2
Spending on Accommodations (\$ Millions)							
Hotel/Motel/B&B	36.0	57.0	60.1	70.0	70.6	79.6	93.3
Rented Home/Condo	44.9	50.6	53.3	62.1	62.6	70.6	82.8
Accomm. Spending	80.9	107.6	113.4	132.0	133.2	150.2	176.1
Spending on other Commodities (\$ Millions)							
Food & Beverage	74.9	110.0	117.6	128.8	128.3	141.1	161.9
Recreation *	129.8	162.2	167.1	181.7	178.0	190.2	212.5
Retail & Other	68.9	84.2	89.2	93.4	90.4	92.5	96.8
Other Spending	273.6	356.5	373.9	403.9	396.8	423.8	471.1
Spending on all Accommodations and Commodities (\$ Millions)							
Accomm. Spending	80.9	107.6	113.4	132.0	133.2	150.2	176.1
Other Spending	273.6	356.5	373.9	403.9	396.8	423.8	471.1
Total Spending	354.5	464.1	487.3	536.0	530.0	574.0	647.2
Spending by Primary Mode of Transportation (\$ Millions)							
Air	107.4	145.8	153.4	171.6	169.4	185.6	212.4
Ground	247.1	318.2	333.8	364.4	360.6	388.4	434.8
Total Spending	354.5	464.1	487.3	536.0	530.0	574.0	647.2

Note: Report details may not add to totals due to rounding.

* Spending on recreation includes campground fees.

*For further information on Direct Impacts see Appendix B.

Source: Dean Runyan Associates

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3. EARNINGS AND EMPLOYMENT

EARNINGS AND EMPLOYMENT IN NORTH LAKE TAHOE AREA

This section describes the findings on visitor-generated earnings and employment for the North Lake Tahoe Area. Before these findings are presented, it is necessary to describe the North Lake Tahoe Area economy in terms of the number and types of jobs present in the area, as well as the workforce that resides in North Lake Tahoe and surrounding areas.

Because the North Lake Tahoe region represents a portion of Placer County, it has been necessary to derive an estimate of the earnings and employment in the area from several sources.⁴ The table below provides an estimate of the total employment and earnings within the North Lake Tahoe Area. Two points are crucial to note in interpreting this table:

1. The employment and associated earnings are for “place of work” rather than “place of residence.” This means that the enterprise that employs individuals is located in the North Lake Tahoe Area. The residence of the employees may or may not be the North Lake Tahoe Area. In the case of construction and real estate employment, the actual work site may or may not be located within the North Lake Tahoe Area, even though the establishment is formally located there.
2. The average employment numbers refer to all payroll jobs, proprietorships, general partnerships, and other employees, such as those receiving commissions. Payroll employment includes all full-time, part-time and seasonal jobs, regardless of the hours worked per week. Proprietors and partners are counted with reference to the enterprise, not the individual. An individual may be a partner in several enterprises, each of which would be counted as a partnership (employment).⁵

The estimates of total employment and earnings indicate that over 40 percent all jobs in the North Lake Tahoe Area are found in leisure industries (accommodations, food services and recreation). We would expect that most of these jobs, including food services and recreation, are visitor related.⁶ Furthermore, we would expect that a substantial portion of retail employment would also be visitor related, as well as employment in real estate and other services related to the management of rental homes and condominiums. Thus, on the basis of these numbers alone, we would expect that about one-half of all employment in the North Lake Tahoe Area and the associated

⁴ Calif EDD for covered employment (zip code area), BEA for relationship between payroll and total employment and earnings at the county level. Because recreation and accommodations are concentrated in North Lake Tahoe, the county level BEA data is good approximation.

⁵ This explains the seemingly high employment for real estate. The individual that is the proprietor of multiple businesses would also be counted more than once in terms of total employment.

⁶ In urban areas, or areas that are not visitor destinations, the majority of employment in food services and recreation is not visitor related.

earnings are *directly* attributable to spending made by visitors. (Note: The additional employment and earnings associated with the construction and vacation home real estate market is presented in Section 5).

North Lake Tahoe Average Annual Payroll Employment, 2012 and 2016

Industry	2012	2016	Change
Agriculture, Forestry	<i>n.d.</i>	<i>n.d.</i>	
Utilities	12	12	0
Construction	1,439	1,887	448
Manufacturing	164	205	41
Wholesale Trade	43	69	26
Retail Trade	1,199	1,369	170
Transportation & Warehousing	71	63	-8
Information	118	107	-11
Finance & Insurance	163	169	6
Real Estate Rental & Leasing	712	652	-60
Prof., Scientific & Technical Services	494	469	-25
Management of Companies & Enterprises	<i>n.d.</i>	<i>n.d.</i>	
Admin., Support, Waste & Remediation Services	519	604	85
Educational Services	84	128	44
Health Care & Social Services	360	404	44
Arts, Entertainment & Recreation	1,868	1,919	51
Accommodation & Food Services	3,510	4,259	749
Other Services	440	891	451
Non-Classified	63	73	10
Federal Government	45	44	-1
State Government	36	105	69
Local Government	1,688	1,854	166
Total Payroll Employment	13,037	15,283	2,246

Source: California Employment Development Department.

Covers Placer & Nevada County Zip Codes: 96140-96141, 96143, 96145, 96146, 96148, 96161.

Wage & salary employment only. Self-employed are not included.

EMPLOYMENT AND EARNINGS GENERATED BY TRAVEL SPENDING

The earnings and employment generated by visitor spending are shown in the table below. These findings (6,450 jobs and \$214.5 million in earnings for 2016) are consistent with the overall estimates of the North Lake Tahoe Area economy and workforce, presented in the preceding discussion. Just as importantly, they provide an additional validity check on the spending and visitor volume estimates presented earlier.

Earnings & Employment Generated by Visitor Spending in North Lake Tahoe Area, 2005-2016

Direct Impacts Only

	2005	2010	2012	2013	2014	2015	2016
Direct Earnings Generated by Visitor Spending (Millions)							
Accomm. & Food Serv.	\$64.3	\$94.3	\$97.9	\$110.1	\$116.1	\$128.7	\$142.6
Recreation	\$40.3	\$51.0	\$57.1	\$59.1	\$57.9	\$61.9	\$58.8
Retail & Misc. Services	\$9.5	\$10.5	\$11.0	\$11.6	\$11.6	\$12.4	\$13.1
Total Direct Earnings	\$114.2	\$155.8	\$166.0	\$180.8	\$185.6	\$202.9	\$214.5
Direct Employment Generated by Visitor Spending (Jobs)							
Accomm. & Food Serv.	2,280	2,870	2,870	3,210	3,290	3,500	3,550
Recreation	2,360	2,370	2,460	2,420	2,230	2,340	2,470
Retail & Misc. Services	360	380	390	410	410	410	430
Total Direct Employment	5,000	5,620	5,720	6,050	5,920	6,240	6,450
Average Annual Earnings (Thousands)							
Accomm. & Food Serv.	\$28.2	\$32.8	\$34.1	\$34.3	\$35.3	\$36.8	\$40.1
Recreation	\$17.1	\$21.5	\$23.2	\$24.4	\$26.0	\$26.5	\$23.8
Retail & Misc. Services	\$26.7	\$27.8	\$28.5	\$28.1	\$28.5	\$30.4	\$30.4
Total Direct Earnings	\$22.8	\$27.7	\$29.0	\$29.9	\$31.3	\$32.5	\$33.2

Note: Accommodation & Food Service includes employment associated with the rental of homes and condominiums.

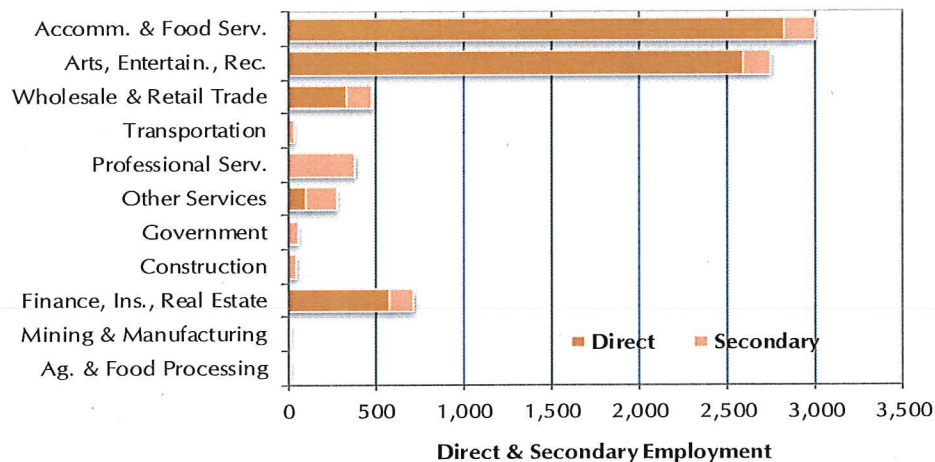
SECONDARY IMPACTS

The most comprehensive way to describe the economic benefits of an industry is to consider not only its direct impacts, but to also include a measure of the indirect or secondary impacts that accrue due to the impact of visitor-related businesses⁷. Travel spending within the North Lake Tahoe Area brings money into communities within the area in the form of business receipts. Portions of these receipts are re-spent within the area for labor and supplies. Hotels, for example, may purchase maintenance services from independent contractors. Business proprietors and employees, in turn, spend a portion of their earnings on goods and services in the area. This re-spending of direct travel-related revenues creates secondary benefits also known as *indirect and induced impacts*.

Secondary impacts provide a picture of the magnitude and variety of business activity generated by travel spending in the North Lake Tahoe Area. Thus, the economic benefits of the travel industry are spread throughout the economy of the North Lake Tahoe Area.

In 2016 there was a noticeable shift from 2012. Accommodation and food service had a jump in employment while Arts, Entertainment, and Recreation job growth was relatively flat over the same period. This is reflected in our employment numbers and the California Employment Development department's data.

**Direct and Secondary Travel Generated Employment
North Lake Tahoe Area, 2016**

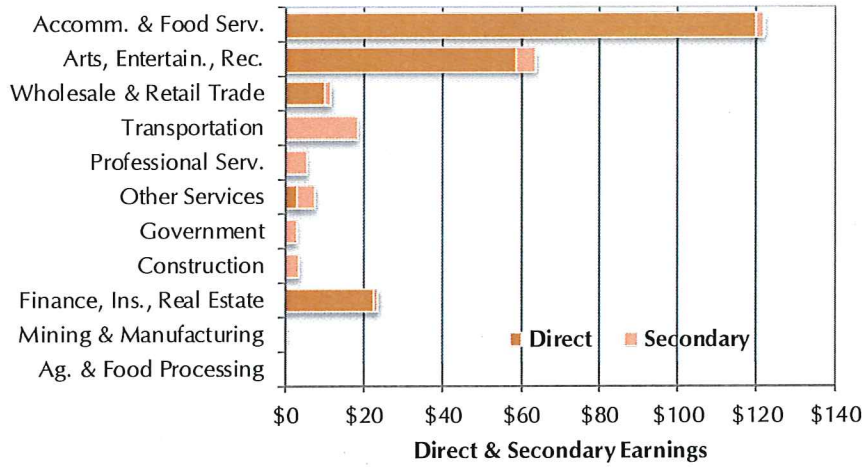


Source: Dean Runyan Associates and Minnesota Implan Group.

Note: Secondary Impacts include Indirect and Induced effects. Accommodation & Food Service includes the impact associated with the rental of homes and condominiums.

⁷ These secondary impacts are sometimes referred to as the "multiplier effect." The multiplier is the ratio of the total impacts to the direct impacts. Secondary impacts or multipliers will vary substantially among different economic regions. In general, larger and more diverse economies will have larger secondary impacts or multipliers because there will be less "leakage" of indirect and induced effects. See Appendix C for a description of the Implan methodology, including the use of workforce characteristics in the calculation of secondary impacts.

Direct and Secondary Travel Generated Earnings North Lake Tahoe Area, 2016



Source: Dean Runyan Associates and Minnesota Implan Group.

Note: Secondary Impacts include Indirect and Induced effects. Accommodation & Food Service includes the impact associated with the rental of homes and condominiums.

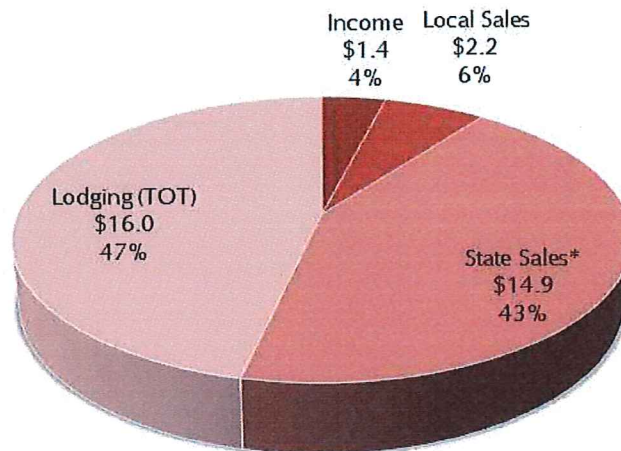
4. TAX IMPACTS

TAX RECEIPTS GENERATED BY TRAVEL SPENDING

Although residents of the surrounding region hold many of the jobs generated by visitor spending in the North Lake Tahoe Area, most of the tax impacts remain in the area because about 9 out of 10 tax dollars generated by visitor spending are attributable to point of sale taxes. These tax impacts are shown in the following pie chart. More than one-half (53 percent) of all tax impacts generated by travel to the North Lake Tahoe Area accrues to local government in the form of transient occupancy taxes (TOT) and local sales taxes. The total generated taxes for 2016 are \$34.4 million, this is an increase of 33 percent from 2012 (\$25.9 million). An average annual increase of about 7 percent.

North Lake Tahoe Area Visitor-Generated State and Local Tax Receipts, 2016 (\$ Millions)

Combined Total: \$34.4 Million



Source: Dean Runyan Associates & Placer County Dept. of Administrative Services

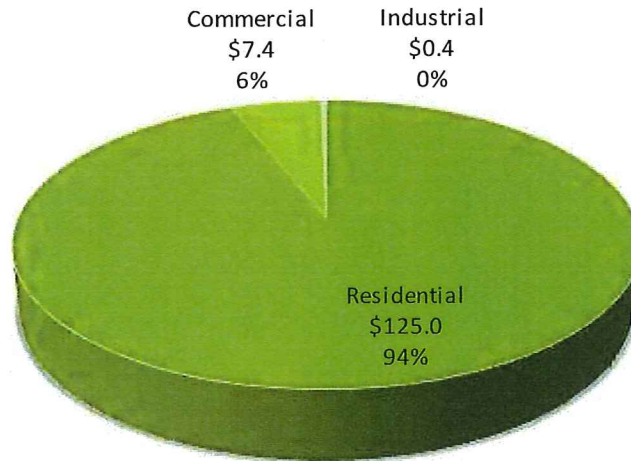
Note: * State Sales tax includes state motor fuel tax. State income taxes include taxes on personal and business income. Property taxes are not included.

PROPERTY TAX RECEIPTS

In addition to tax receipts generated directly from visitor spending, property tax assessments for North Lake Tahoe Area property provide substantial tax revenue for Placer County. Within the North Lake Tahoe Area, 94 percent of the most recent property tax assessment roll (fiscal year 2015-16) was related to residential and vacation home properties. Because of the high proportion of vacation homes, condominiums, and time-shares in the North Lake Tahoe Area (about two-thirds of all housing units), properties that are visitor-related and are not owner-occupied generate a significant

source of the area's property tax receipts. Visitor-related commercial properties such as hotels and restaurants also generate a substantial portion the property tax receipts collected for property classified as commercial, which generated about 7.4% of all property tax receipts for the area.

North Lake Tahoe Area of Placer County Property Tax Receipts, FY 2015-2016



Source: Dean Runyan Associates & Placer County Tax Assessor

5. CONSTRUCTION AND REAL ESTATE

Segments of construction and real estate employment in the North Lake Tahoe Area can also be attributed to visitors, to the extent that such activity is related to the construction, maintenance or sale of vacation home property. Estimates of visitor-generated construction and real estate activity are less straightforward, and ultimately less precise, than estimates of direct and secondary visitor spending made in the preceding section. There are two principle reasons for this distinction.

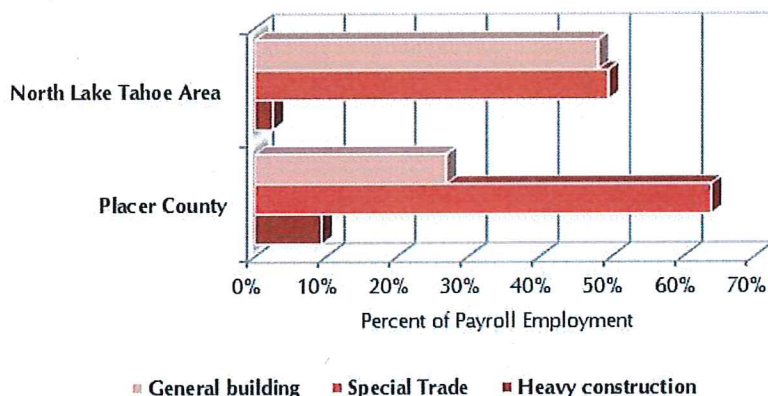
First, expenditures on visitor-related construction activities are related to anticipated visitation and expenditures made by visitors in a future time period. In the case of vacation homes by private owners, construction expenditures are investments predicated on expectations of visitor activity at a later and extended period of time. The same is true with regard to the sale of vacation home property. Therefore, it is analytically useful to distinguish visitor-related construction and real estate from the other type of visitor-related impacts discussed.

Second, there is generally more "out-of-area" activity associated with the employment for construction and real estate than on visitor expenditures made for accommodations, food service and recreation. This is especially true for vacation home construction, which, over the last decade, has been a significant source of construction activity in the Truckee Area. Likewise, real estate brokers and agents in the North Lake Tahoe Area may service vacation home property in Truckee or other locations outside the North Lake Tahoe Area. It is also important to consider, particularly with regard to large development projects, that construction activity in the North Lake Tahoe Area may generate employment and earnings for firms from outside the area.

Construction

Construction employment in the North Lake Tahoe Area is most orientated toward general building contractors. The following bar chart illustrates the overall pattern in payroll employment for construction businesses in the North Lake Tahoe Area. Furthermore, as compared to all of Placer County, general building contractors in the North Lake Tahoe Area comprise nearly twice as large a proportion of payroll employment. This is probably due to the relatively high number of residential structures (both owner-occupied and vacation homes) relative to other commercial and industrial structures in the North Lake Tahoe Area.

Characteristics of Construction Employment North Lake Tahoe Area, 2015



Source: derived from U.S. Census Bureau County Business Patterns by Dean Runyan Associates

As shown in the table below, an examination of the mix of single-family and condominium housing units in the North Lake Tahoe Area shows about two-thirds are not owner-occupied and serve as vacation homes and short-term rental properties. These North Lake Tahoe Area properties provide an ongoing source for construction employment as maintenance and improvements are made to entire stock of housing.

Visitor Industry Activity

North Lake Tahoe Area Single-Family Residential and Condominium Housing Units, 2016

Location	Zip Area	Owner-Occupied	Vacant Units	Total Units	Percent Vancancy
Carnelian Bay	96140	714	1,312	2,026	65%
Homewood	96141	593	916	1,509	61%
Tahoma	96142	111	233	344	68%
Kings Beach	96143	1,535	1,570	3,105	51%
Tahoe City	96145	2,038	3,321	5,359	62%
Olympic Valley	96146	588	1,759	2,347	75%
Tahoe Vista	96148	370	573	943	61%
Combined Total		5,949	9,684	15,633	62%

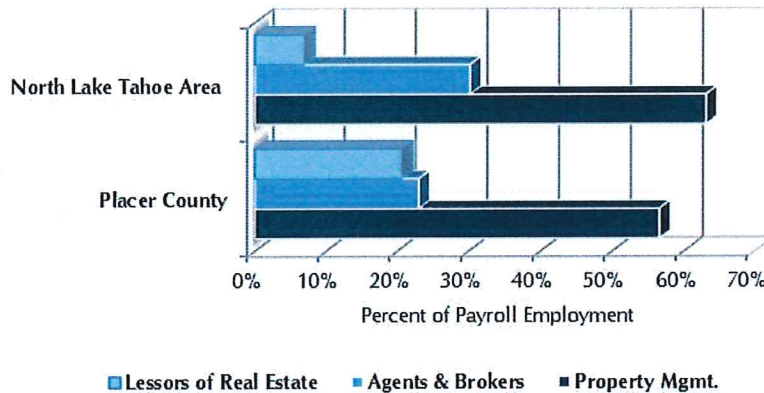
Source: Dean Runyan Associates using CoreLogic

Real Estate

As shown in the following bar chart, payroll employment for real estate establishments in the North Lake Tahoe Area is most oriented toward property management and the sales activity of agents and brokers. As compared to all of Placer County, agents and brokers comprise about twice as large a proportion of payroll employment for real estate

establishments. In addition, property management and appraisal, which tends to be more oriented to commercial property, represents a significantly higher proportion of real estate employment in all of Placer County.

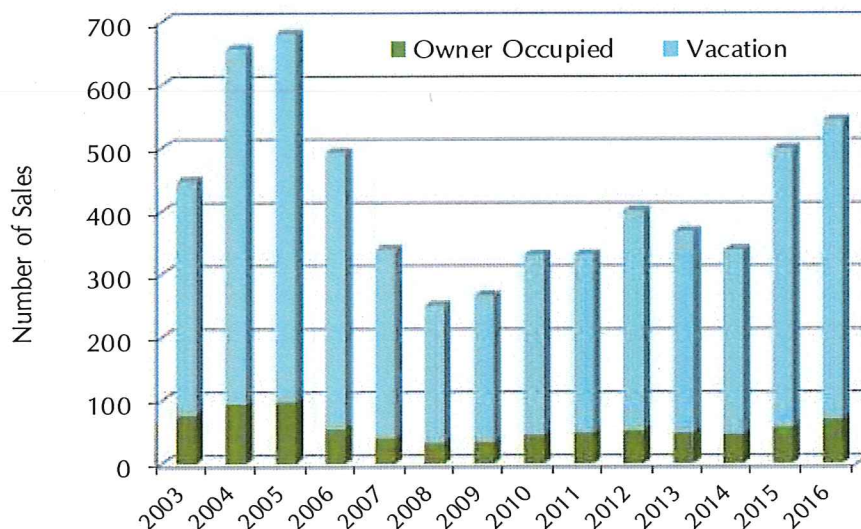
Characteristics of Real Estate Employment North Lake Tahoe Area, 2015



Source: derived from U.S. Census Bureau County Business Patterns by Dean Runyan Associates

As shown below, over 500 single-family and condominium, and timeshare units were sold in the North Lake Tahoe Area in 2016, an increase of about 9 percent from the previous year. Vacation is a combination of non-owner occupied and timeshare units.

Annual New and Resale Real Estate Transfers North Lake Tahoe Area, 2003-2016 (Owner Occupied & Vacation)



Source: Dean Runyan Associates using CoreLogic
Note: Based on selected zip codes for North Lake Tahoe Area

6. VISITOR IMPACT OVERVIEW

The Economic Significance of Travel to the North Lake Tahoe Area: Detailed Visitor Impact Estimates, 2003-2016 describes the economic impacts associated with all visitor spending in the North Lake Tahoe Area of Placer County. As shown below, *direct* travel-generated impacts accounts for nearly \$647 million in visitor spending, providing 6,450 jobs with earnings of \$215 million made by employees and business owners throughout the North Lake Tahoe Area.

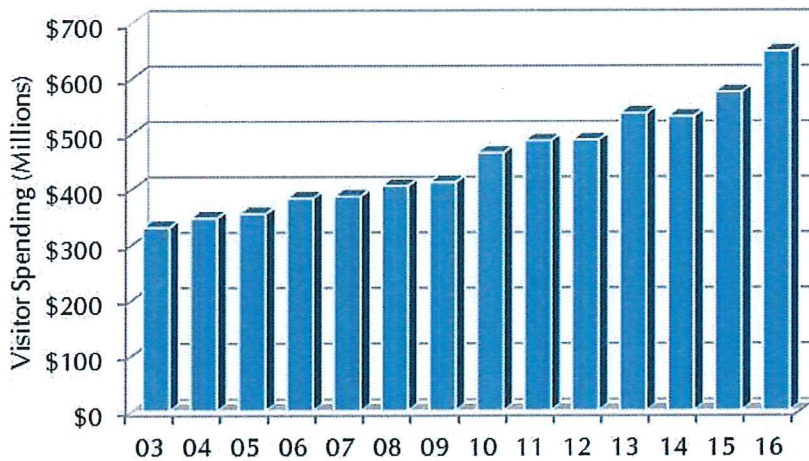
North Lake Tahoe Area Visitor Spending and Related Impacts, 2003-2016
Direct Travel-Generated Impacts Only

	Visitor Spending (\$ Million)	Earnings (\$ Million)	Employment (jobs)	Tax Receipts	
				Local (\$ Million)	State (\$ Million)
2003	330.4	106.5	4,910	8.2	8.6
2004	347.1	112.0	5,020	8.4	9.4
2005	354.5	114.2	5,000	8.5	9.8
2006	382.5	123.7	5,030	9.3	10.7
2007	386.0	124.6	4,960	9.3	10.9
2008	405.0	130.5	5,090	9.8	11.5
2009	411.3	128.1	5,020	9.4	12.8
2010	464.1	155.8	5,620	11.4	14.8
2011	486.0	161.4	5,830	11.9	14.6
2012	487.3	166.0	5,720	12.0	13.9
2013	536.0	180.8	6,050	13.9	13.9
2014	530.0	185.6	5,920	13.9	13.7
2015	574.0	202.9	6,240	15.6	14.6
2016	647.2	214.5	6,450	18.2	16.0
Annual Percentage Change					
03-16	5.3%	5.5%	2.1%	6.4%	4.9%
15-16	12.8%	5.7%	3.4%	16.5%	9.7%

Source: Dean Runyan Associates

Note: State Tax Receipts affected by changes in state sales tax rate.

Total Visitor Spending in North Lake Tahoe Area, 2003-2016



Note: Visitor spending not adjusted for inflation.
 Source: Dean Runyan Associates

The following table and pie charts provide an overview of all the visitor-generated economic impacts for the North Lake Tahoe Area. The table *Earnings and Employment Generated by Visitor Spending - North Lake Tahoe Area, 2016* shows the proportion of visitor-generated earnings and employment as a percent of the North Lake Tahoe Area’s total economy. Visitor spending in the area generates about 60 percent of employment, and about half (51%) of all earnings in the North Lake Tahoe Area.

The bulk of area's employment and earnings are generated through visitor spending made for lodging accommodations (including rented homes and condominiums), food services, and recreation – during winter and summer – throughout the North Lake Tahoe Area. The re-spending of travel-generated earnings by employees and businesses (referred to as secondary impacts) created over 1,300 additional jobs with earnings of \$45.6 million. In addition, construction and real estate activity associated with vacation homes generated approximately 1,100 more jobs with associated earnings of \$64.7 million.

Earnings & Employment Generated by Visitor Spending in North Lake Tahoe Area, 2016

	Visitor-Generated Impacts					Area Total	Percent Visitor
	Direct	Secondary	Vacation Home	Visitor- Related			
Earnings (\$Millions)							
Leisure and Hospitality Serv.	201	7.2	0.0	208.6	214.2	214.2	97%
Retail & Misc. Services	13	6.4	0.0	19.5	74.2	74.2	26%
Construction	0	3.7	47.5	51.2	98.7	98.7	52%
Real Estate, Rental & Leasing	0	1.1	17.2	18.3	35.5	35.5	52%
All Other	<u>0</u>	<u>27.3</u>	<u>0.0</u>	<u>27.3</u>	<u>217.1</u>	<u>217.1</u>	<u>13%</u>
Total	\$215	\$45.6	\$64.7	\$324.8	\$639.8	\$639.8	51%
Employment (Number of Jobs)							
Leisure and Hospitality Serv.	6,020	333	0	6,353	6,830	6,830	93%
Retail & Misc. Services	430	316	0	746	2,329	2,329	32%
Construction	0	51	920	971	1,887	1,887	51%
Real Estate, Rental & Leasing	0	138	257	395	652	652	61%
All Other	<u>0</u>	<u>495</u>	<u>0</u>	<u>495</u>	<u>3,585</u>	<u>3,585</u>	<u>14%</u>
Total	6,450	1,334	1,177	8,961	15,283	15,283	59%

Source: Dean Runyan Associates

Note: Leisure and Hospitality Services includes employment associated with the rental of homes and condominiums. Vacation Home estimates were judgmental based on workforce characteristics and factors described in the previous section of this report. Area total includes wage & salary employment only. Self-employed are not included.

Total employment increased 17% from 2012, an increase of about 4% per year. The employment for visitor related increased 14% from 2012. Total earnings increased 30% from 2012, an increase of about 7% per year. The visitor related earnings increased at the same 30% rate. The proportions of visitor related employment and earnings remained relatively unchanged.

**Visitor-Related Share of Total Employment
North Lake Tahoe Area, 2016**



Total Employment: 15,283

Source: Dean Runyan Associates and California Employment Development Department

**Visitor-Related Share of Total Payroll Generated Earnings
North Lake Tahoe Area, 2016**



Total Payroll Generated Earnings: \$639.8 Million

Source: Dean Runyan Associates and California Employment Development Department.

APPENDICES

Appendix A. Regional Travel Impact Model (RTIM) Methodology
Appendix B. IMPLAN Modeling System

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Summary of Regional Travel Impact Model (RTIM) Methods

TRAVEL SPENDING

Hotel, Motel, B&B. Spending on accommodations by hotel and motel guests is estimated from Transient Occupancy Tax (TOT) collections made by Placer County. Spending by hotel and motel guests in other business categories, such as food and transportation, is estimated using spending distributions reported in the visitor survey data. The spending distribution shows how travelers divide their spending between lodging and other purchases.

Rented Home/Condo. Spending by rented home/condo guests is also estimated from Transient Occupancy Tax (TOT) collections, which are collected on the rental of condominiums or privately owned homes for rental periods of less than thirty days.

Vacation Home. Vacation home visitation and expenditures are estimated from an inventory of vacation homes (housing data from the U.S. Bureau of the Census) and survey data for expenditures.

Unpaid Accommodations. Spending by private home guests is determined from visitor survey data estimating the number of visitors staying as guests of friends and relatives, and applying

these rates to the household population base.

Campgrounds. Spending by campers using commercial campgrounds is estimated from the visitor counts at California State Parks and federally managed national forests, as well as a number of commercial campsites. The average occupancy of these campsites and daily expenditures of visitor camp parties is estimated from state sources and survey data.

Day Travel. The share of day visits as a percentage of total travel is estimated from visitor survey data and applied to average daily spending estimates to produce day visitor spending.

Related Travel Impacts

Spending by travelers generates jobs, earnings, tax revenues.

Total Earnings generated directly from traveler expenditures are estimated from the payroll-to-receipts ratio obtained from the 2007 Economic Census for the State of California, and earnings estimates from the Bureau of Economic Analysis.

Employment in each business category is calculated from wage and employment data supplied by the California Employment Development

Department, and earnings estimates from the Bureau of Economic Analysis.

Local Taxes consist of transient occupancy taxes and local sales taxes applicable to traveler purchases in eating and drinking establishments and retail stores.

State Taxes consist of state sales taxes applied to traveler spending on accommodations, retail shopping, restaurant meals, entertainment, the state fuel tax levied on motor fuel purchases, and personal and corporate income taxes.

IMPLAN Modeling System

IMPLAN is a widely used, nationally recognized economic impact model, first developed by the U.S. Forest Service. IMPLAN can be used to measure the direct and indirect impacts associated with economic changes in a particular region or local area. This methodology has been packaged, along with the necessary data files, as IMPLAN Pro by the Minnesota IMPLAN Group, Inc. (MIG) of Stillwater, Minnesota, and provides the basis for the indirect analysis in this report.

The following are some of the conventions used by IMPLAN.

- **Direct** impacts represent the employment and earnings attributable to travel expenditures made directly by travelers at businesses throughout the North Lake Tahoe Area.
- **Indirect** impacts represent the employment and earnings associated with industries that supply goods and services to the businesses that directly serve visitors (i.e., those that receive money directly from visitors throughout the area).
- **Induced** impacts represent the employment and earnings that result from purchases for food, housing, transportation, recreation, and other goods and services made by travel industry employees, and the employees of the indirectly affected industries.

Database Components

The IMPLAN databases consist of two major parts: 1) national-level matrices and tables and 2) economic and physical data at the county and/or state level. The national matrices are combined with regional data to create a regional model, which can be edited to reflect local conditions.

IMPLAN data is divided into four main categories:

1. Industry Output
2. Employment
3. Value Added (includes employee compensation)
4. Final Demands

Industry output represents the dollar value (producer price of goods and services) of an industry's total production. The data is derived from a number of sources including Bureau of Census economic censuses and the BLS employment projections.

Employment is listed as a single number of jobs for each industry. The data is derived from ES202 employment security data supplemented by county business patterns and Regional Economic Information System (REIS) data. All IMPLAN databases include both full-time and part-time workers in employment estimates.

Value Added includes employee compensation, proprietor income, other property type income, and indirect business taxes. Employee compensation includes the total payroll costs (including benefits) of each industry in the region. Proprietary income consists of payments received by self-employed individuals (includes private business owners, doctors and lawyers). Other property type income consists of payments from rents, royalties, dividends and interest. Indirect business taxes consist primarily of excise and sales taxes paid by individuals to businesses.

Final Demands are the dollar value of goods and services purchased by consumers and institutions (federal, state and local government). Personal consumption expenditures are the largest component of final demand. It consists of payments by individuals/households to industries for goods and services used for personal consumption.

Trade Flows

Trade flows describe the movement of goods and services between a defined region and the outside world (imports and exports into and out of the study region). Regional Purchase Coefficients (RPC's) were used to estimate how much of the local production of a commodity will supply local demand, and how much will be exported from the region. RPC's represent the portion of local demand purchased from local producers for each commodity. IMPLAN software automatically generates RPC's for each commodity with a set of econometrically-based equations.

Indirect Impacts

Input-output models are driven by final consumption (or final demand). Industries respond to meet demands directly or indirectly (by supplying goods and services to industries responding directly). Each industry that produces goods and services generates demands for other goods and services. These other producers, in turn, purchase goods and services. These indirect purchases (indirect effects) continue until "leakage" from the region (imports, wages, profits, etc.) stop the cycle.

Professional Services Agreement

This agreement between Dean Runyan Associates (DRA) and the North Lake Tahoe Resort Association (the Association) is for travel and tourism economic analysis regarding the North Lake Tahoe Region of Placer County.

I. SCOPE OF WORK

The scope of professional services to be performed and the results to be achieved by DRA is described in the attached Exhibit A, and shall include all services and material necessary to accomplish the work.

DRA agrees that all services performed under this Agreement shall be in accordance with the standards of the profession and in compliance with applicable federal, state and local laws.

The Scope of Work and the associated budget may be amended upon written approval of both parties.

II. OWNERSHIP OF DOCUMENTS

Upon completion of the work, all report documents, exhibits or other presentations of the work shall become the property of the Association. However, any alteration or reuse of the documents, by the Association or by others acting through or on behalf of the Association, will be at the Association's sole risk. Furthermore, any publication or distribution of such altered material shall indicate authorship by the Association or by a designated third party, with an appropriate reference to the original DRA documents.

III. TIME OF PERFORMANCE

DRA will begin work upon execution of this Agreement by both parties. DRA shall perform all services and provide all work products required pursuant to this agreement by 30 October, 2017, assuming execution of this agreement by 1 May 2017 and the draft report materials are reviewed by the Association in a timely manner, and unless extension of such time is granted in writing by the Association.

IV. PAYMENT

The Association shall pay DRA for completed and services rendered under this agreement. Such payment shall be full compensation for work performed, services rendered, and all fees and travel costs necessary to complete the work.

- a) DRA shall submit invoices to the Association on a periodic basis, with the amounts due based on partial for full completion of project tasks.
- b) DRA's invoices are due and payable within 30 days of receipt. In the event of a disputed billing, only the disputed portion will be withheld from payment.
- c) Final payment for the balance due to DRA will be made upon the completion of the work and acceptance by the Association.

V. MAXIMUM COMPENSATION

Unless otherwise agreed to in writing by both parties, DRA's total compensation and reimbursement under this Agreement shall not exceed the maximum sum of \$24,900. A breakout of cost by task, which will be used for invoicing purposes, appears in Exhibit B.

VI. CHANGES IN WORK

Other than changes directed by the Association as set forth in Section I above, either party may request changes in the scope of work. Such changes shall not become part of this Agreement until mutually agreed upon and incorporated herein by written amendments to this Agreement executed by both parties.

VII. EXTRA WORK

The Association may desire to have DRA perform work or render services in connection with this project that are in addition to the Scope of Work set forth in Exhibit A and minor revisions to satisfactorily completed work. Such work shall be considered as "Extra Work" and shall be addressed in a written supplement to this Agreement. The Association shall not be responsible for paying for such extra work until both parties execute the written supplement.

VIII. TERMINATION OF AGREEMENT

- a) The Association may terminate this Agreement at any time upon not less than ten (10) days written notice to DRA. Written notice will be by certified mail sent to DRA.
- b) In the event this Agreement is terminated prior to the completion of the work, a final payment shall be made to DRA, which when added to any payments previously made, shall compensate DRA for the percentage of work that has been completed for each project task.
- c) In the event this Agreement is terminated prior to completion of the work, documents that are the property of the Association pursuant to Section II above shall be delivered to and received by the Association prior to transmittal of final payment to DRA.

IX. RESOLUTION OF DISPUTES


In the case that either the Association or DRA disputes one or more items regarding scope of work or compensation, and discussions are unable to resolve the disagreement, both parties must agree that the services of a professional mediator be engaged in order to reach agreement. In the event of such an agreement, the cost of these services will be borne equally by DRA and the Association.

X. EXHIBITS AND SIGNATURES

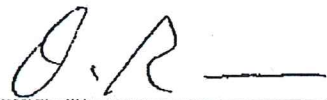
This Agreement, including its exhibits, constitutes the entire Agreement, supersedes all prior written or oral understandings, and may only be changed by a written amendment executed by both parties. The following exhibits are hereby made a part of this Agreement:

- Exhibit A - Scope of Work
- Exhibit B - Budget Breakout

The parties hereto have executed this Agreement as of the day and year entered below by the Association.



North Lake Tahoe Resort Association
April 12, 2017
Date



Dean Runyan Associates
4/18/17
Date

Exhibit A Scope of Work

Task 1: Direct Economic Impact of North Lake Tahoe Resort Area

We will document and describe important economic impacts of travel to the North Lake Tahoe Resort Area (a defined area within Placer County) from 2003 through 2016, including visitor spending and the overall structure of jobs and earnings. Findings will also include visitor spending breakouts by type of overnight accommodation and by primary mode of transportation (ground vs. air travel). The information will be based on the most current and reliable data available.

Cost: \$6,800

Task 2. Secondary Economic Impacts (specific to North Lake Tahoe Resort Area)

DRA will measure these secondary impacts using an input/output model developed specifically for the *North Lake Tahoe Resort Area* portion of Placer County, with the primary RTIM findings used as input. These economic impacts will include employment and earnings for each major economic sector, and fiscal impacts in terms of sales-generated tax receipts at the local and state level.

Cost: \$3,900

Task 3. Visitor Volume and Workforce Characteristics

We will provide visitor volume estimates by type of accommodation and primary mode of transportation for a single year (calendar year 2016). We will make use of the most survey data available, adjusted accordingly for annual price changes.

Cost: \$4,300

Task 4. Construction and Real Estate Assessment

The primary emphasis of this task involves estimating segments of construction and real estate employment in the North Lake Tahoe Resort Area collecting available housing and construction data from U.S. Census Bureau. Construction activity on new and existing residences will be estimated from employment, payroll and earnings data, as well as building permit data. Housing data may also be purchased from DataQuick Information Systems of San Diego, CA, depending on the completeness of local data sources.

Cost: \$6,400

Task 5. Report Preparation and Presentation

Subsequent to your review, we will provide a final pdf copy for use on your website, and one unbound copy for duplication purposes. Specified detailed data tables can also be provided in electronic format.

Cost: \$3,500

Exhibit B
Budget Breakout

The total budget for the project, as specified in Tasks 1 through 5 and including travel and other incidental costs, is \$24,900. A breakout by task is as follows:

Direct Economic Impact	6,800
Secondary Impacts	3,900
Visitor Volume/Workforce	4,300
Construction/Real Estate	6,400
Report/Presentation	3,500
Total	\$24,900

DRA will submit periodic invoices based on the proportion of completion of each project task.



north lake tahoe

Chamber | CVB | Resort Association

MEMORANDUM

Date: 12/1/17

TO: NLTRA Board of Directors

FROM: Cindy Gustafson

RE: Consideration of Revisions to the NLTRA Bylaws - Addressing Composition of the Board of Directors, Terms of Office, and Consolidation of Elections

Action Requested:

Board consideration and direction to call for membership vote on Bylaw revisions for Board composition, terms of office, and election Directors of the NLTRA. If the Board wishes to proceed, bylaw changes and a vote of the membership will be required.

Background:

During 2016-2017 the NLTRA Board directed staff to conduct a comprehensive organizational review. The process included Board, County, staff, and a wide-variety of interested members and the public. The process concluded in the spring of 2017.

At the Strategic Board Retreat in October, the Board considered changes to the Board make-up to address recommendations gained from the organizational review process. Then, at the November Board meeting, staff presented a more detailed proposal and was directed to solicit feedback from members, committees, and business associations. Staff has met with Chamber subcommittee, TCDA, NTBA, two meetings with lodging properties, and numerous individual business members of the organization.

Board Composition (see attached chart)

Feedback received has been positive. The most significant concerns expressed are:

- 1) Designated seats heavily weight the organization to the major resorts;
- 2) Lack of lakeside and summer business representation.

To alleviate this situation, NTBA has suggested that you consider two of the At-Large seats be designated to Lakeside areas (see attached email from Joy Doyle, Executive Director of NTBA).

Based on the public input received, staff recommends adding two additional At-Large appointed seats. The intent of these additional seats is to ensure broad geographic and business type diversity, without restricting the Board's flexibility to consider applicants.

Term of Office

Currently terms are three years with maximum of two terms back to back (six years). Based on feedback received, staff is suggesting that the terms be revised to two years with a maximum of three terms (six years) for the Elected and Appointed Directors. (The Designated seats would not have term limits.)

During the detailed review of the Bylaws and the consideration of systematic implementation for all of the above changes, staff is also recommending the consolidation of elections.

Consolidation of Elections

The current Bylaws require elections each year with staggered terms of office. This was adopted to avoid full turnover of the Board at any one time. With the implementation of Designated seats assuring a level of continuity, staff is recommending placing all seats up for election simultaneously, eliminating staggered terms.

Staff believes this will benefit the organization by:

- simplifying the election process from annual to biennial;
- increasing Board stability from one to two year periods;
- strengthening the focus on orientation for new Board members;
- attracting more interest from the members in the election process;
- providing a more comprehensive perspective in addressing diversity when considering nominations for the Appointed seats.

While this recommendation could result in significant turnover in the Board every two years, based on past elections this would seem unlikely.

Fiscal Impact:

There is minimal fiscal impact to conducting bylaw revisions and a vote of the membership if the Board proceeds with the proposed changes.

NLTRA BOARD DRAFT COMPOSITION CHANGES

2017 Governance Committee recommendations on Board composition:

- Increase Board with more diversity of industries and geography (up to 15-20)
- Maximize flexibility with larger number of At-Large seats but insure that they are not filled with the same industry
- Consider longer term limits

2017 duties of NLTRA revised through County agreement. The following suggestions are made with a goal to ensure diverse representation of members while addressing the following focus areas:

- TOT collections (primary funding source);
- major tourism industries currently involved in sales and marketing efforts (assure efficiencies and effectiveness with NLTRA programs and efforts); and, geographic areas, business types and sizes.

Current Composition of Board

11 Voting Members + 1 Ex Officio

Elected Seats:

- 1- Large Lodging
- 1 - Small Lodging
- 1 – Real Estate/ Prop. Mgmt.
- 1 - Ski Area
- 1 - Restaurant
- 1 - Retail
- 1 - Recreation
- 1 - General
- 1 - At Large

Appointed Seats:

Board of Supervisors Appointment
County CEO Appointee

TRPA Ex Officio Member

Term limits: 2 – 3 year terms

Suggested Changes to Composition of Board

13-15 Voting Members + 1-2 Ex Officio

(Chambers of our size average 13-15)

Combination of Designated Seats, Elected Seats and Appointed Seats

Designated Seats (6):

4 - Ski Areas: Squaw/Alpine, Northstar, Sugar Bowl, Homewood

2 – Resort at Squaw Creek, Ritz-Carlton Lake Tahoe

Elected Seats (5):

Property Mgmt/Lodging – CB/TV/KB

Property Mgmt/Lodging – TC/WS

At Large

At Large

At Large

Appointed Seats (1-6):

1 At Large – by Board of Supervisors

1-5 At Large – by above 11 Board members

These seats will be appointed to ensure broad geographic, business-type, and size diversity.

Advisory Board (1-3):

Placer County, TRPA, and the immediate Past-President

Term limits 3 – 2 year terms

NLTRA Current Board Transition Plan

Current Process	Board Member	Current Seat	Potential New Seat*	Current Term Exp.	Proposed Next Election	Current Max Limit	Proposed New Max Limit
Elected	Brendan Madigan	Retail	Resigned / Seat Eliminated	2018 x 2017	NA	NA	NA
Elected	David Tirman	Small Lodging	Resigned / Seat Eliminated	2019 x 2017	NA	NA	NA
Elected	Adam Wilson	Ski Area	Northstar Designee	2017	NA	2020	NA
Elected	Brett Williams	Real Estate/Property Mgmt	North Shore Lodging	2017	2018	2020	2020
Elected	Samir Tuma	At Large	West Shore Lodging	2017	2018	2022	2022
Elected	Christy Beck	Large Lodging	Squaw Valley Designee	2018	NA	2020	NA
Elected	Eric Pilcher	Restaurant	Elected at Large /Appt.*	2018	2018	2021	2022
Elected	Aaron Rudnick	Recreation	Elected at Large/Appt.*	2019	2018	2022	2022
Elected	Gary Davis	General	Elected at Large/Appt.*	2019	2018	2022	2022
Appt.	Karen Plank	Board of Supervisors Appt	Board of Supervisors Appt	NA	NA	NA	NA

* These Directors have additional time on their term and could be appointed to fill out that term.

Cindy Gustafson

From: Joy Doyle
Sent: Tuesday, November 28, 2017 9:15 AM
To: Cindy Gustafson
Cc: Adam Wilson
Subject: NTBA feedback on NLTRA proposed Board changes

Cindy,

I hope you had a nice time away and enjoyable Thanksgiving holiday.

Following is the feedback provided at the November 16 NTBA Board meeting regarding NLTRA's proposed Board of Director changes.

NTBA is in favor of the proposed changes with designated, appointed and elected seats, however NTBA is concerned that there may not be enough lakeside and summer business representation.

To address this, NTBA recommends making one of the Elected At-Large Seats be designated for CB/TV/KB and one of the Elected At-Large Seats be designated for TC/WS.

Additionally, NTBA recommends that NLTRA attempt to fill all Elected and Appointed At-Large seats with the greatest assortment of business industries and business sizes from the greatest diversity of communities as possible. (We recommend this be communicated during recruitment of new board members and documented in NLTRA by-laws so that it is memorialized for future Boards and staff.)

Please confirm receipt and let me know if you have any questions or need any clarification.

Sincerely,

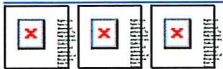
Joy M. Doyle

Executive Director

North Tahoe Business Association (NTBA)

[530.546.9000](tel:530.546.9000) / cell [530.386.3657](tel:530.386.3657)

www.NorthTahoeBusiness.org



BYLAWS

OF

NORTH LAKE TAHOE RESORT ASSOCIATION, INC., a California Nonprofit Public Benefit Corporation

ARTICLE I

General

Section 1. NAME. This organization is incorporated under the laws of the State of California and shall be known as the North Lake Tahoe Resort Association, Inc. (the "corporation"). The corporate seal of the corporation shall include the full name and shall be inscribed there on the words: "Incorporated March 4, 1996, California."

Section 2. PURPOSE. The purpose of the corporation is to promote, enhance, reinvigorate, coordinate, and direct tourism for the economic betterment of the North Lake Tahoe Region. Additionally, the corporation may operate as a Chamber of Commerce and Visitor and Convention Bureau.

Section 3. BUSINESS OFFICES. The principal office of the corporation in the State of California shall be located in the County of Placer. The corporation may have such other office(s), either within or without the State of California, as the Board of Directors ("Board") may determine or as the affairs of the corporation may require from time to time.

Section 4. REGISTERED OFFICE. The corporation shall have and continuously maintain in the State of California a registered office address and registered agent whose office is identical with such registered office, as required by the California Nonprofit Corporation Law. The registered office may be, but need not be, identical with the principal office in the State of California, and the address of the registered office may be changed from time to time by the Board.

Section 5. LIMITATIONS. The corporation shall observe all local, state, and federal laws that apply to a non-profit organization as defined in Section 501(c)(4) of the Internal Revenue Code.

ARTICLE II

Membership and Definitions

Section 1. ~~CLASSES OF MEMBERS~~FULL MEMBERSHIP. The Members of the corporation shall consist of for-profit, non-profit, and government organizations having an office / location in the North Tahoe Resort Association membership area or North Tahoe area as defined below, as well as, organizations / agencies that have jurisdictional obligations within the North Tahoe Resort

Association membership area or North Tahoe area ("Member"). Each Member shall be a voting Member of the corporation so long as it has timely paid corporation dues, fees and assessments. The corporation dues, fees, and assessments shall be set by the Board. Each Member shall designate in writing to the corporation one (1) person who has the authority to act on behalf of the Member including the Member's right to vote. ~~Members in the Association shall Membership:~~

- ~~_____~~ At Large
- ~~_____~~ Large Lodging
- ~~_____~~ General
- ~~_____~~ Property Management/Real Estate
- ~~_____~~ Recreation
- ~~_____~~ Restaurant
- ~~_____~~ Retail
- ~~_____~~ Ski Area
- ~~_____~~ Small Lodging
- ~~_____~~ Associate
- ~~_____~~ Affiliate

Section 2. ~~QUALIFICATIONS OF FULLAFFILIATE~~ -MEMBERSHIP. Affiliate Membership shall mean any individual, or entity who or that does not qualify for Full Membership, but who has an interest in the affairs of the corporation. Affiliate Members shall not have a vote. Affiliate Members may be eligible to be included in collateral material and other membership benefits as established by Board policy. ~~Each Business licensed with offices/locations in and doing business in the North Lake Tahoe Resort membership area, by and through a person or entity who or that is an owner or a Membership application by the Board and on timely payment of such dues and fees shall refer only to voting Members of the Corporation.~~

Section 3. ~~DEFINITIONS~~.NORTH TAHOE RESORT ASSOCIATION MEMBERSHIP AREA OR NORTH TAHOE AREA. The North Tahoe Resort Association membership area or North Tahoe area shall refer to (a) the geographic area that is east of a directly north to south line that intersects with the Rainbow Lodge Building (located on Interstate 80 west of Soda Springs), west of the California/Nevada border, south of the Placer County/Nevada County border, north of a directly east to west line that intersects the westernmost point of Emerald Bay (of Lake Tahoe, on Highway 89 south); (b) the Town of Truckee; and (c) the area in the state of Nevada that is within the Tahoe Basin and north of a directly east to west line that intersects the southernmost point of the Sand Harbor Nevada State Park.

- ~~a. At Large Membership shall refer to any Full Member of the corporation who or which has voting privileges.~~

- b. ~~General Membership shall refer to any Full Member of the corporation who or that does not qualify for a membership class as defined in Sections 3.d. through 3.j., inclusive.~~
- c. ~~Large Lodging Membership shall mean single hotel properties with over 100 rooms in the North Tahoe area described above.~~
- d. ~~Property Management/Real Estate Membership shall mean persons who have businesses that manage, rent or sell properties in the North Tahoe area described above.~~
- e. ~~Recreation Membership shall mean businesses selling recreational services in the North Tahoe area described above, excluding Ski Areas with no other form of recreational activities.~~
- f. ~~Restaurant Membership shall mean businesses selling restaurant/food and beverage services in the North Tahoe area described above.~~
- g. ~~Retail Membership shall mean businesses selling retail items in the North Tahoe area described above.~~
- h. ~~Ski Area Membership shall mean anyone doing business as a downhill ski, snowboard, cross-country ski or similar snow sport, located in the North Tahoe area described above.~~
- i. ~~Small Lodging Membership shall mean hotel/motel properties with 100 or less room in the North Tahoe area described above.~~
- j. ~~Associate Membership shall mean any individual or entity (including without limitation, government, nonprofit, public utilities districts and special districts), regardless of business affiliation, residing or with principal offices or districts within the North Tahoe area. Associate Members shall have full participation in the Association including voting rights, but no Associate Member or its representative shall be eligible to serve as an elected director or officer of the corporation.~~
- k. ~~Affiliate Membership shall mean any individual, or entity who or that does not qualify for Full or Associate Membership, but who has an interest in the affairs of this Association (corporation). Affiliate Members shall not have a vote. Affiliate Members may be eligible to be included~~

~~in collateral material and other membership benefits as established by Resort Association Board policy.~~

Section 43. TERMINATION OF MEMBERSHIP.

- a. The Board, by majority vote, shall terminate the ~~M~~membership of any Member who becomes ineligible for ~~M~~membership, shall suspend any Member who is in default in payment of dues, fees or assessments for the period of thirty (30) days after the date such dues become payable and shall expel any Member who shall be in default in payment of dues, fees or assessments for the period of ninety (90) days after the date such dues become payable. A Member shall be suspended or expelled for cause, pursuant to Section 6 of this Article II, based upon the good faith determination by the Board that the Member has failed in a material and serious degree to observe the corporation's rules of conduct, or has engaged in conduct materially and seriously prejudicial to the purposes and interests of the corporation. A person whose ~~m~~Membership is suspended shall not be a Member during the period of suspension.
- b. ~~Appeal~~-Any Member terminated under the provisions of this Section 3 of Article II may appeal the action of the Board by requesting a Special Action at the next meeting of the ~~m~~Membership.

Section 54. RESIGNATION. Any Member may resign by filing a written resignation with the Secretary of the corporation, but such resignation shall not relieve the Member resigning of the obligation to pay any dues, assessments, or other charges accrued and unpaid.

Section 56. REINSTATEMENT. Upon written request signed by a former Member and filed with the Secretary, the Board may, by the affirmative vote of two-thirds (2/3) of the directors eligible to vote, reinstate such former Member to ~~M~~membership upon such terms as the Board may deem appropriate.

Section 67. PROCEDURE FOR EXPULSION OR SUSPENSION. If grounds appear to exist for expulsion or suspension of a Member for cause under Section 3 of Article II, the following procedure shall be followed:

- a. The member shall be given fifteen (15) days prior notice of the proposed expulsion or suspension and the reasons for the proposed expulsion or suspension. Notice shall be given by any method reasonably calculated to provide actual notice. Any notice given by mail shall be sent by first class or registered mail to the Member's last address as shown on the corporation's records.

- b. The Member shall be given an opportunity to be heard, either orally or in writing, at least five (5) days before the effective date of the proposed expulsion or suspension. The hearing shall be held or the written statement considered by the Board.
- c. The Board shall decide whether or not the Member should be suspended, expelled or sanctioned, which action shall be taken only by affirmative vote of two-thirds (2/3) of the directors eligible to vote. The decision of the Board shall be final.

Section 78. TRANSFER OF MEMBERSHIPS. No rights or obligations arising from ~~M~~membership shall be transferred or assigned. Should a business become unrepresented as a Member due to the failure of the person formerly representing that business to be qualified for ~~M~~membership, a new person or entity may apply for ~~M~~membership to represent that business.

ARTICLE III

Meetings of the Members~~hip~~

Section 1. ANNUAL MEETING. An annual meeting of the Members shall be held in or around North Tahoe, in California, on the first Wednesday in October each year, the time and place to be designated by the Board. Notice of the annual meeting, reports of the affairs of the corporation shall be considered, and proper business may be transacted that is within the powers of the Members. Failure to hold the annual meeting at the designated time shall not result in a forfeiture or dissolution of the corporation. Each annual meeting shall take place no later than 15 months after the preceding annual meeting or the incorporation of the ~~corporation~~Association.

Section 2. SPECIAL MEETINGS. A Special Meeting of the Members for any lawful purpose may be called at any time by the Board, the Chair, or any three (3) or more Board Members, or by five percent (5%) or more of the Members. A Special Meeting called by any person other than the Board shall be called by written request, specifying the general nature of the business proposed to be transacted, and submitted to the Chair or any Vice Chair or the Secretary of the corporation. The officer receiving the request shall cause notice to be given promptly to the Members entitled to vote, in accordance with Section 5 of this Article III, stating that a meeting will be held at a specified time and date fixed by the Board, provided, however, that the meeting date shall be at least thirty-five (35) but not more than ninety (90) days after receipt of the request. If the notice is not given within twenty (20) days after the request is received, the person or persons requesting the meeting may give the notice. Nothing in this section shall be construed as limiting, filing, or affected the time at which a meeting of the Members may be held when the meeting is

called by the Board. No business, other than the business the general nature of which was set forth in the notice of the meeting, may be transacted at a Special Meeting.

Section 3. RECORD DATE. The Board shall set a record date for the purpose of determining voting rights of the Membership at the Annual Meeting and/or any additional or Special Meeting or special questions to come before the Membership ~~ats least is more than sixty forty five (6450)~~ days before the date of the meeting is held or on which the first written ballot is mailed or solicited in the case of action by written ballot.

Section 4. NO PROXIES. Voting by proxy shall not be allowed at any meeting of the Members, or in a vote by written ballot.

Section 5.

- a. NOTICE OF MEETINGS. Whenever Members are required or permitted to take any action at a meeting, a written notice of the meeting shall be given, in accordance with this Section 5 of Article III, to each Member entitled to vote at that meeting. The notice shall specify the place, date, and hour of the meeting and, (a) for a Special Meeting, the general nature of the business to be transacted, and no other business may be transacted, or (b) for the Annual Meeting, those matters that the Board, at the time notice is given, intends to present for action by the Members, but except as provided in Section 5.b., below, any proper matter may be presented at the meeting. The notice of any meeting at which directors are to be elected shall include the names of all persons who are nominees when notice is given.
- b. NOTICE OF CERTAIN AGENDA ITEMS. Approval by the Members of the any of the following proposals, other than by unanimous approval by those entitled to vote, is valid only if the notice or written waiver of notice states the general nature of the proposal or proposals;
 - (i) Removing a ~~d~~Director without cause;
 - (ii) Filing vacancies on the Board;
 - (iii) Amending the Articles of Incorporation; or
 - (iv) Electing to wind up and dissolve the corporation.
- c. MANNER OF GIVING NOTICE. Notice of any meeting of Members shall be in writing and shall be given at least ten (10) but not more than sixty (60) days

before the meeting date. The notice shall be given either personally or by first class, registered, or certified mail, or electronic mail, or by other means of written communication, charges prepaid, and shall be addressed to each Member entitled to vote, at the physical or electronic address of that Member appearing on the books of the corporation or at the physical or electronic address given by the Member to corporation for purposes of notice. If no physical or electronic address appears on the corporation's books and no physical or electronic address has been given, notice shall be deemed to have been given either:

- (i) Notice is sent to that Member by first class mail or telegraphic or written communication to the corporation's Member's principal office; or
- (ii) Notice is published at least once in a newspaper of general circulation in the county in which the principal office is located. An affidavit of the mailing of any notice of any Members' meeting, or of the giving of such notice by other means, may be executed by the Secretary or an assistant secretary of the corporation, and if so executed, shall be filled and maintained in the corporation's minute book.

Section 6. VOTING. Each Membership, as defined by these Bylaws, shall be entitled to one vote. Any voting Member whose dues are not fully paid shall not be eligible to vote. Voting may be by voice or ballot, except that any election of directors must be by ballot if demanded by any Member at the meeting before the voting begins.

Section 7. ACTION BY WRITTEN BALLOT WITHOUT A MEETING. Any action, including without limitation election of directors, that may be taken at any meeting of the Members may be taken without a meeting by complying with the following provisions of this Article III, Section 7:

- a. SOLICITATION OF WRITTEN BALLOTS. The corporation shall distribute one (1) written ballot to each Member entitled to vote on the matter. Such ballots shall be mailed or delivered in the manner required by Section 5 of this Article III. All solicitations of votes by written ballot shall:
 - (i) Indicate the number of responses needed to meet the quorum requirement;
 - (ii) With respect to ballots other than for election of directors, state the percentage of approvals necessary to pass the measure or measures;

(iii) Specify the time by which the ballot must be received in order to be counted; ~~and~~

(iv) Each ballot so distributed shall (1) set forth the proposed action; (2) provide the Members an opportunity to specify approval or disapproval of each proposal; and (3) provide a reasonable time to return the ballot to the corporation. If the corporation has one hundred (100) or more Members, any written ballot distributed to ten (10) or more Members shall provide, subject to reasonable specified conditions, that if the solicited Member specifies a choice with respect to any such matter, the vote shall be cast in accordance with that specification. In any election of directors, a written ballot that a Member marks "withhold", or otherwise in a manner indicating that authority to vote is withheld, shall not be voted either for against the election of a director; ~~and~~

~~(iv)~~(v) Set the (1) election date if an election, or (2) date of determination.

- b. NUMBER OF VOTES AND APPROVALS REQUIRED. Approval by written ballot shall be valid only when (1) the number of votes cast by ballot (including those ballots marked "withhold" or otherwise indicate that authority to vote is withheld) within the time specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and (2) the number of approvals equals or exceeds the number of votes that would be required for approval at a meeting at which the total number of votes cast was the same as the number of votes cast by written ballot without a meeting.
- c. WRITTEN REVOCATION. A written ballot may not be revoked.
- d. FILING. All written ballots shall be filed with the Secretary and maintained in the corporate records for at least three (3) years.

Section 8. QUORUM. Ten percent (10%) of the voting power of the Members shall constitute a Quorum for the transaction of business at any meeting of Members, provided, however, that if any regular or annual meeting is actually attended in person by less than one-third (1/3) of the voting power, the only matters that may be voted on are those of which notice of their general nature was given under the first and second sentences of Section 5.c. of Article III, above. The ~~m~~MMembers present at a duly called or held meeting at which a quorum is present may continue

to transact business until adjournment, even if enough Members have withdrawn to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the Members required to constitute a quorum.

Section 9. ADJOURNMENT AND NOTICE ADJOURNED MEETINGS. Any Members' meeting, whether or not a quorum is present, may be adjourned from time to time by a vote of the majority of the Members represented at the meeting. No meeting may be adjourned for more than forty-five (45) days. When a Members' meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting when adjournment is taken. If after adjournment, a new record date is fixed for notice or voting, a notice of the adjourned meeting shall be given to each Member who, on the record date for notice of the meeting, is entitled to vote at the meeting. At the adjourned meeting, the corporation may transact any business that might have been transacted at the original meeting.

Section 10. ORDINARY ACTION. Ordinary action of the ~~Association corporation~~ shall mean any action of the ~~Association corporation~~ that is not a Special Action. If a quorum is present, the affirmative of a majority of the voting power of Members represented at the meeting, entitled to vote and voting on any matter, shall be the act of the members on any Ordinary Action proposal, unless the vote of a greater number, ~~or voting by classes,~~ is required by the California Nonprofit Public Benefit Corporation law, by the Articles of incorporation or these Bylaws. ~~Any matter that the Board determines is of question only to one or more, but less than all, of the class(es) of Membership, may be acted upon by affirmative vote of a majority of the voting power of only the classes of Membership which are affected by that action, as determined by the Board.~~

Section 11. SPECIAL ACTION. Special Action of the ~~Association corporation~~ shall mean any action of the ~~Association corporation~~ designated as such in the Articles of Incorporation or these Bylaws. Special Action shall require the affirmative vote of at least two-thirds (2/3) of the voting power of Members represented at the meeting, entitled to vote and voting on any Special Action matter, unless the vote of a greater number, ~~or voting by classes,~~ is required by the California Nonprofit Public Benefit Corporation, or by the Articles of Incorporation or these Bylaws.

ARTICLE IV

Board

Section 1. GENERAL POWERS. Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, and subject to any limitations of the Articles of Incorporation or Bylaws regarding actions that require approval of the Members, the corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board.

Section 2. NUMBER. The authorized number of ~~elected~~ directors of the corporation shall be between eleven (11) and seventeen (17), six (6) to twelve (12) of which shall be designated or appointed and five (5) of which shall be elected~~eleven (11)~~. The authorized number of elected directors may be modified by a majority vote of the Membership.

Section 3. COMPOSITION OF BOARD. The Board shall consist of Members having an office / location within the North Lake Tahoe Transient Occupancy Tax Area as defined in Section 4.16.030 of the Placer County Code. The Board shall be composed of designated, elected and appointed directors~~composed~~, unless modified by the Board in accordance with and pursuant to these Bylaws, as follows:

Six (6) Designated Directors:

1. Squaw / Alpine Ski Area
2. Northstar Ski Area
3. Sugar Bowl Ski Area
4. Homewood Ski Area
5. Ritz Carlton Lake Tahoe
6. Resort at Squaw Creek

Five (5) Elected Directors:

1. Lodging / Property Management – Transient Occupancy Tax Collectors of multiple unit lodgings located within the area of Placer County east of Dollar Hill and within the Tahoe basin
2. Lodging / Property Management – Transient Occupancy Tax Collectors of multiple unit lodgings located within the area of Placer County west of Dollar Hill and within the Tahoe basin
3. At-Large any Member
4. At-Large any Member
5. At-Large any Member

One (1) - Five (5) Appointed Directors:

At-Large Members within North Tahoe Resort Association membership area (with preference for attaining maximum geographic and business type and size diversity), appointed by the above eleven (11) designated & elected Directors

One (1) Appointed Director:

At-Large Member within Membership Area, appointed by Board of Placer County Supervisors

- ~~One (1) — At Large~~
- ~~One (1) — General~~

- ~~One (1) — Large Lodging~~
- ~~One (1) — Property Management/Real Estate~~
- ~~One (1) — Recreation~~
- ~~One (1) — Restaurant~~
- ~~One (1) — Retail~~
- ~~One (1) — Ski Area~~
- ~~One (1) — Small Lodging~~
- ~~One (1) — Placer County Board of Supervisors Appointee~~
- ~~One (1) — Placer County Executive Appointee~~

~~Each of the above-described eleven (11) directors shall be voting members of the Board. The At-Large elected director shall be a full voting Member and reside within the North Lake Tahoe Resort Association membership area as defined in Article II, Section 3, subsection (a) of these Bylaws or be an owner or manager of an active, current Member business licensed in both the state of California and County of Placer, or the designated agent of that Member. The General elected director shall hold a state of California professional or business license.~~

~~The qualifications for the remaining seven (7) of the nine (9) elected directors are that each shall be the person representing a Full Member that is a business licensed in both the state of California and County of Placer, and is qualified for the membership class of the applicable Board seat as determined by the Board. One member may not hold more than one Board seat at a time, regardless of the number of Member classes for which that member may qualify.~~

~~The Board shall also include (2) non-voting, ex-officio members, one appointed by and to serve at the will of the Executive Director of the Tahoe Regional Planning Agency, and one to be the immediate Past President of the corporation who shall serve for the period of one (1) year following his or her term as President, provided that the Past President is not already serving as director, in which case there shall be only one ex-officio member of the Board member of the Board.~~

The corporation may have advisory members which may include: (1) a representative from Placer County who is appointed by and serves at the will of the CEO of Placer County Chief; (2) the Tahoe Regional Planning Agency who is appointed by and serves at the will of the Executive Director of the Tahoe Regional Planning Agency, and (3) the immediate past president of the corporation who shall serve for the period of one (1) year following his or her term as president, provided that the past president is not already serving as a director. The advisory member(s) have the right to attend and participate at all meetings of the board, but shall have no voting powers and shall not be counted as members of the board for any voting or quorum purposes.

Section 4. TERM OF ELECTED DIRECTORS.

a. Each elected and appointed director shall hold office for a term of two (2) years. Any elected or appointed director is eligible for re-election or re-appointment,

except that no elected or appointed director shall serve more than three (3)~~two~~ full consecutive terms.

b. Each designated director shall hold office until the Member, the director is authorized to represent, notifies the corporation in writing of a new director who has the authority to act on behalf of the Member.

Section 5. ~~NOMINATION OF DIRECTORS TO BE ELECTED~~ELECTIONS. The Board shall appoint an Election Committee composed of three (3) to seven (7) Members including at least one (1) Member of the Board and at least one (1) Member not currently serving on the Board. No member of the ~~e~~Election ~~C~~ecommittee can be a candidate for the election for which they are serving. The responsibilities of the Election Committee shall be:

a. To solicit qualified candidates for nomination. To qualify, a candidate, ~~excluding candidates for the General Board seats,~~ must be an owner or manager of an active, current Member business licensed in both the state of California and County of Placer and located within the North Tahoe Resort Association membership area, and the designated agent of that Member, ~~of the Membership class that he or she will represent.~~

~~To qualify, candidates for the At Large Board seat must reside within the North Lake Tahoe Resort Association membership area as defined in Article II, Section 3, subsection (a) of these Bylaws or be an owner or manager of an active, current Member business licensed in both the state of California and County of Placer, or the designated agent of that Member.~~

~~b. To prepare a slate of candidates. Any Member may nominate its representatives or other Members of their respective Membership class.~~

~~e.b.~~ b. To give notice of the election.

~~e.c.~~ c. To conduct the election.

~~e.d.~~ d. To appoint an impartial party as inspector of ~~e~~Election to tally the ballots and announce the results to the Board.

~~f. A list of candidates will be given to the membership with the ballot.~~

Section 6. ELECTION OF DIRECTORS.

a. Election of directors shall be by written ballot.

b. The elections will occur based on the following schedule:

<u>Record Date</u>	<u>45 Days prior to the date of Election Date or on which the first written ballot is mailed or solicited</u>
Notice of the Election	30 Days prior to the Filing Deadline
Filing Deadline	5 p.m., two business days before the February Board meeting
Final Tally	Tuesday 5 p.m. before the March Board Meeting
Election Date	March Board Meeting
New Board Members Take Office	April Board Meeting

- c. The Board shall formulate procedures that allow a reasonable opportunity for a nominee to communicate to Members the nominee’s qualifications and the reasons for the nominee’s candidacy, a reasonable opportunity for the nominee to solicit votes, and a reasonable opportunity for all Members to choose among the nominees. Without Board authorization, no corporate funds may be expended ~~to support a nominee for director after more people have been nominated for director than can be elected~~ to support a nominee for director after more people have been nominated for director than can be elected to a contested position.
- d. ~~Staggered~~-Elections: ~~Three-Five (35)~~ seats shall be elected everyeach two years, for two hree (23) year terms as follows:

~~Year A – Large Lodging, Restaurant, Retail~~
~~Year B – General, Small Lodging, Recreation~~
~~————— (General seats elections begin at Year B)~~
~~Year C – At Large, Property Management/Real Estate, Ski Area~~

- e. Special Elections: Should these Bylaws be amended to provide for additional Board Members and/or change of the composition of the Board, a special election of any director position affected by such changes shall be held by written ballot, or at a general or special meeting held in accordance with these Bylaws.

Section 7. VACANCY. Any elected director vacancy occurring on the Board shall be filled by the affirmative vote of a majority of the remaining directors at a meeting at which there is a quorum of directors present. A vacated seat must be filled by a Member ~~from the same~~

~~Membership class~~ who fills the required Board composition. A director elected in this manner to fill a vacancy shall serve until the next election of directors, at which time a director ~~from the Membership class~~ will be elected to fill the remainder of the unexpired term.

Section 8. RESIGNATION. Any director may resign at any time by mailing or delivering, or transmitting by facsimile or electronic mail, written notice of his/her resignation to their Chair or the Secretary of the corporation. Any such resignation shall be effective when the notice is given, unless it specifies a later time for the resignation to become effective. Except on notice to the Attorney General of California, no director may resign if the corporation would be left without a duly elected director or directors in charge of its affairs.

Section 9. REMOVAL BY BOARD. Any ~~elected~~ member of the Board may be removed by the affirmative vote of two-thirds of the directors entitled to vote, whenever in their judgment grounds for the removal of a director provided in California Corporations Code §5221 exist. Without limitation, it shall be cause for removal of a director if the director fails to attend three (3) consecutive Board of Directors regular meetings, as defined in Article V, Section 4.

Section 10. REMOVAL BY VOTE OF MEMBERS. Any ~~elected~~ director may be removed for any reason, with or without cause, upon the affirmative vote of a majority of all Members, if the corporation has fewer than fifty (50) Members, or by the affirmative vote of the majority of the Members represented at a meeting, or on written ballot, at which a quorum is present, if the corporation has fifty (50) or more Members.

ARTICLE V Duties of the Board

Section 1. Without limiting the general powers set forth in Section 1 of Article IV of these Bylaws, the directors shall have the specific powers and duties set forth in this Article V.

Section 2. BUDGET. The Board shall, prior to the beginning of each fiscal year, propose and tentatively adopt a budget, which shall also include all long-term or continuing commitments of the corporation made in connection with or contemplated under any previously approved budget. The ~~B~~udget ~~C~~ommittee will submit a draft budget to the Board for ~~T~~entative adoption. The Board will submit the portion of the budget funded by transient occupancy tax (TOT) to Placer County for approval, and shall adopt the budget in final form after receipt of such approval.

Section 3. ADDHITIONAL REVENUES. The Board shall provide for additional means of funding the activities of the corporation through appropriate actions as may benefit the general funds and overall operations of the corporation.

Section 4. REGULAR MEETINGS. The Board shall meet on the first Wednesday of each consecutive month, or at intervals determined by resolution of the Board at a time and place designated by the Chair. Regularly scheduled meetings of the Board may be rescheduled by the Chair or by the Secretary by authority of the Chair. Delivery of meeting materials to the Board shall occur no fewer than five (5) calendar days prior to the regular meeting.

After consideration by the Chair of the reasons given by a Board member who has been absent from three (3) consecutive regular Board meetings, the Chair shall make a recommendation to the full Board and the Board will decide whether or not to remove a Board member under Article IV, Section 9 and, if the Board member is so removed, the Board will proceed to select a successor to fill such vacancy in accordance with Article IV, Section 7.

Section 5. SPECIAL MEETINGS. A special meeting of the Board shall be held upon four (4) days' notice by first class mail or forty-eight (48) hours' notice delivered personally, by telephone, facsimile, or electronic mail and may be called by the Chair, any Vice Chair or the Secretary, or any two (2) directors. Notice of a special meeting may not be given to any director who signs a waiver of notice or a written consent to holding the meeting or any approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior to thereto or at its commencement, the lack of notice of such director. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 6. QUORUM. At all meetings of the Board, the majority of the ~~voting~~ directors shall constitute a quorum. In the event that a quorum is not in attendance at any meeting, the meeting shall promptly be adjourned for a period of forty-eight (48) hours or until a quorum is present. Notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the directors who were not present at the time of the adjournment. With the approval of a vote of the majority of directors present at any meeting, whether or not a quorum is present, members of the Board may participate in the meeting through use of conference telephone or similar communications equipment, so long as all members participating in such a meeting can hear one another. Participation in a meeting by telephone constitutes presence in person at such meeting.

The Chair will vote on all matters before the Board. If any vote ends in a tie, the issue shall not be approved.

Section 7. PROXY AND ASSIGNMENT. There shall be no voting by directors by proxy or assignment. Directors must be present at the meeting to place a vote.

Section 8. MANNER OF ACTING. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board, unless the act of a

greater number is required by law or by these Bylaws. Each ~~voting~~ director shall be entitled to one vote on each matter submitted to the Board.

Section 9. COMPENSATION. Directors shall not receive any salary or other compensation for services to the corporation as a director; provided that the Board may, by resolution adopted by a majority of the directors then entitled to vote, provide compensation in a fixed sum and reimbursement of expenses for attendance, which may be allowed for attendance at each regular or special meeting of the Board. Compensation shall be consistent with the nonprofit status of the organization and in compliance with all rules and regulations of the Internal Revenue Service.

Section 10. ADJOURNMENT. Any meeting of the Board may be adjourned by affirmative vote of a majority of the directors present. If at any time during the course of a meeting of directors, a quorum ceases to exist, the remaining directors shall immediately adjourn the meeting as provided for Section 6 of this Article V.

Section 11. ACTION WITHOUT MEETING. Any action required or permitted to be taken by the Board may be taken without a meeting, if all members of the Board (not including any "interested director" as defined in California Corporations Code §5233) individually or collectively consent in writing to such action. Such action by written consent shall have the same force and effect as the unanimous vote of such directors.

Section 12. CONFLICT OF INTEREST. The Board shall adopt policies regarding conflicts of interest related to its own members and Officers of the Corporation. Such policies shall be consistent with the standards of conduct set forth in California Nonprofit Corporation Code and shall ensure, without limitation full disclosure of financial interests and involvement in transactions where a conflict of interest is a possibility. Such policies shall impose upon each ~~D~~director the responsibility to be alert to possible conflicts of interest of himself or other ~~D~~directors and shall require that each ~~D~~director declare his absence of conflict of interest annually on a declaration form provided for that purpose, or where a ~~D~~director has a conflict of interest, require that such ~~D~~director disqualify himself from the decision-making process involved.

Section 13. PRESIDENT AND CHIEF EXECUTIVE OFFICER. The President and Chief Executive Officer shall be the chief paid executive employee of the corporation. The Board shall retain a President and Chief Executive Officer who shall be responsible to the Board for the implementation of the policies and goals set by the Board. The President and Chief Executive Officer shall have the following authority and responsibilities, unless otherwise limited by a majority vote of the entire Board:

- a. Administration and supervision over all corporation staff employees;
- b. Administration and supervision over all corporation programs;
- c. The responsibility, unless otherwise directed by the Board, to attend all meetings of the Board and all corporation committees.

ARTICLE VI
Officers

Section 1. OFFICERS. The officers of the corporation shall be a Chair, a Vice Chair, a Secretary, a Treasurer, and such other officers as the Board shall deem proper.

Section 2. ELECTION. The Board, at its first meeting after each time new board Members take office shall choose the officers and may, not inconsistent with the Bylaws, fix the powers and duties of any officer. Each officer so chosen shall hold office for one year or until his/her successor shall be chosen and shall qualify, unless he/she shall sooner resign or be removed as herein in these Bylaws provided.

Section 3. AGENTS. The Board may, except as otherwise required by law, authorize any officer or officers, agent or agents in the name of and on behalf of the corporation to sign checks, drafts, or other orders for the payment of money or notes or other evidences of indebtedness, to endorse for deposit, deposit to the credit of this corporation at any bank or trust company or banking institution in which the corporation may maintain an account, cash, checks, notes, drafts or other bankable securities or instruments and such authority may be general or confined to specific instances as the board may elect, but unless so authorized by the Board. Except as specifically authorized by the Board, no officer, agent or employee shall have power of authority to bind the corporation by contract or engagement or to pledge its credit or to render it liable for any purpose or to any amount.

Section 4. DUTIES OF THE OFFICERS. The duties of the officers shall be as follows:

- a. Chair. The Chair shall be the principal ~~executive~~-officer of the Board and shall (i) preside at all meetings of the Membership and the Board; (ii) be an ex officio member of all committees appointed by the Board; (iii) sign all deeds, notes, contracts or other instruments which the Board has authorized to be executed, except where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws or by statute to some other officer or agent of the corporation; (iv) perform all duties incident to the office of Chair and such other duties as may be prescribed by the Board from time to time.
- b. Vice Chair. The Vice Chair shall assist the Chair and the Board and shall perform such duties as may be assigned to them by the Chair or by the Board. In the absence of the Chair of the Board, the Vice Chair designated by the Board shall have the powers and perform the duties of the Chair. If no such designation shall be made, the Vice Chair may exercise such powers and perform such duties.
- c. Secretary.
 - (i) The Secretary shall keep or cause to be kept at the corporation's principal office or such other place as the Board may direct, a book of minutes of all

meetings, proceedings and actions of the Board, of committees of the Board and of Members meetings (minutes shall include the time and place that the meeting was held, whether the meeting was annual, regular or special, and, if special, how authorized, the notice given, the names of those present at Board and committee meetings, and the number of members present or represented at Members meetings);

- (ii) See that all notices are duly given in accordance with the provisions of these Bylaws, the Articles of Incorporation, and as required by law;
- (iii) Be custodian of the corporate records and of the seal of the corporation and affix the seal to all documents when authorized by the Board and keep or cause to be kept, at the principal office in California, a copy of the Articles of Incorporation and the Bylaws, as amended to date;
- (iv) Keep at its registered office or principal place of business within California a record containing the names and registered addresses of all Members; and
- (v) In general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the Chair or by the Board.

Assistant Secretaries, if any, shall have the duties and powers as given by the Secretary, Chair or the Board, all subject to supervision by the Secretary.

- d. Treasurer. The Treasurer shall (i) support the Chief Financial Officer in his or her duties; (ii) be a member of the Finance Committee; and (iii) perform all other duties incident to the office of the Treasurer and, upon request of the Board, shall make such reports as may be required at any time. The Treasurer shall have such other powers and perform such other duties as may be from time to time prescribed by the Board or the Chair. The Assistant Treasurers, if any, shall have the powers and duties given by the Treasurer, Chair or the Board, all subject to the supervision of the Treasurer.
- e. Executive Committee: With the annual approval of the full Board of Directors, the officers of the corporation, as defined above, shall serve as members of the Board Executive Committee. The purpose of the Executive Committee is to conduct Board business and implement Board policies and direction, as may be more efficiently handled by a committee of the Board. The full Board may delegate specific duties to the Executive Committee, as the full Board deems appropriate, through formal Board action.

Responsibilities that may be assigned by the full Board to the Executive Committee may include, but not necessarily limited to, representing Board policy directives and guiding the CEO in annual contract negotiations with Placer

County. Annually, consistent with the adopted NLTRA Whistleblower Policy, the Executive Committee shall appoint one of its members to serve as the Compliance Officer, as defined in that policy.

Section 6. LIABILITY OF DIRECTORS, OFFICERS, EMPLOYEES AND MEMBERS. To the fullest extent permitted by law, the directors, officers, employees and Members of the ~~Association corporation~~ shall not be liable for any of the ~~Association's corporation's~~ obligations, or for any act, or failure to act, of the ~~Association corporation~~. To the fullest extent permitted by law, the corporation shall indemnify its directors, officers, employees and other persons described in California Corporations Code §5238(a), including persons formerly occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any "proceeding", as that term is used in that §5238(a), and including an action by or in the right of the corporation, by reason of the fact that the person is or was a person described in that section. "Expenses" as used in this Bylaw shall have the same meaning as in §5238(a) of the California Corporations Code.

On written request to the Board by any person seeking indemnification under §5238(a) or §5238(c) of the California Corporations Code, the Board shall promptly determine under §5238(e) of the California Corporations Code whether the applicable standard of conduct set forth in §5238(b) or §5238(c) has been met and, if so, the Board shall authorize indemnification. If the Board cannot authorize indemnification because the number of directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of directors who are not parties to that proceeding, the Board shall promptly call a meeting of the Members. At that meeting, the Members shall determine under §5238(e) of the California Corporations Code whether the applicable standard of conduct set forth in §5238(b) or §5238(c) has been met and, if so, the Members present at the meeting shall authorize indemnification.

To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under the provisions of this Article IV, Section 6, in defending any covered proceeding shall be advanced by the corporation before final disposition of the proceeding, on receipt by the corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the corporation for those expenses.

The corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, employees and other agents, against any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising out of the officers, directors, employees or agent's status as such.

The Board, or such individual(s) as may be designated by the Board, shall in the Board's discretion, provide for the bonding of the directors, officers, employees and/or Members of the Corporation in such amounts, types of bonds and circumstances as the Board may deem appropriate from time to time.

Section 7. DIVIDEND PROHIBITED. No dividend shall be paid and no part of the income or profit of this corporation shall be distributed to the corporation's Members, directors or officers. The corporation may reimburse its Members, directors or officers for out-of-pocket expenses they may incur for the benefit of the corporation, may confer benefits upon its Members in conformity with its purposes and, upon dissolution or final liquidation, may make distributions to its Members to the extent permitted by California and federal law without jeopardizing the tax exempt status of the corporation, and no such payment, benefit or distribution shall be deemed to be a dividend or a distribution of income or profit.

Section 8. LOANS TO DIRECTORS AND OFFICERS PROHIBITED. No loans shall be made by the corporation to its directors or officers.

ARTICLE VII
Committees

Section 1. COMMITTEES. The Board, by resolution adopted by a majority of the directors in office, may designate and appoint one or more committee(s) as deemed necessary by the Board, or may authorize the Chair to make such appointment(s) to perform specific duties as requested by the Board. ~~Any committee that is in power to act on the Board's behalf in any manner~~ Each committee shall be composed of two (2) or more directors and any committee that is in power to exercise authority of the Board shall be composed only of directors. The meetings and actions of such committees exercising authority of the Board shall be governed by the provisions of these Bylaws concerning meetings and other Board actions. The exception is at the time for regular meetings of such committees, and for the calling of special meetings, the actions may be determined either by Board resolution and, if there is none, by resolution of the committee of the Board. The Board may adopt rules for the government of any committee, providing they are consistent with these Bylaws, or in the absence of rules adopted by the Board, the committee may adopt such rules. Minutes of each meeting of any committee of the Board shall be kept and filed with the corporate records. Any appointed committee shall be responsible only to the Board.

With the exception of the Finance Committee, the Board may add, delete, or alter the number of standing committees, and/or change the duties and the composition. Subcommittees may be appointed by the Board from time to time as needed for special purposes. Each ~~NLTRA~~ committee and subcommittee not exercising authority of the Board may include members of the ~~NLTRA~~ Board, Placer County, as well as community or "lay" members. The current identification and membership requirements of each committee/subcommittee, duties, and length of terms are defined and kept current in the North Lake Tahoe Resort Association Supplemental Operation Procedures and Policies document.

Section 2. FINANCE COMMITTEE. The Board shall select a Finance Committee. The duties of the Finance Committee shall be to advise the Board on any and all matters pertaining to the present and any future budgets, and all financial matters relating to the corporation.

Section 3. ELECTIONS COMMITTEE. At least sixty days prior to any election, the Board shall appoint an Election Committee composed of three (3) to seven (7) Members including

at least one Member of the Board and at least one (1) Member not currently serving on the Board. The responsibilities of the Election Committee are defined in Article IV, Section 5.

Section 4. REMOVAL OF COMMITTEE MEMBERS. Any Member serving on a committee appointed by the Chair or a majority vote of the Board may be removed by a majority vote of the Board whenever, in their best judgment, the best interest of the corporation is served by such removal.

Section 5. TERM OF OFFICE. Each Member of a committee shall continue as such until the term of office shall expire or until the responsibility of the committee is successfully terminated as determined by the Chair or by a majority vote of the Board.

Section 6. TERMINATION OF COMMITTEE. By majority vote of the Board, a Committee formed under Section 1 of this Article VII, may be terminated when, in the opinion of the Board, there is no longer a purpose or function for the Committee.

ARTICLE VIII
Membership Dues

Section 1. DUES. The fee structure and initiation fee (if any) for all Memberships shall be determined by the Board. ~~Dues by Membership category and benefits of membership by Membership category shall be determined at the discretion of the Board.~~ For a fee, all regular Members will be able to participate in additional benefits, as determined by ~~Resort Association~~ Board Policy.

Section 2. PAYMENT OF DUES. Dues shall be payable upon receipt of billing and shall be considered delinquent thirty (30) days after the date of assessment, or according to a payment schedule agreed upon by the Board. Members in arrears over thirty (30) days shall lose ~~m~~Membership benefits and shall be removed from ~~M~~membership if dues have not been paid within ninety (90) days.

Section 3. DATE OF ASSESSMENT. The date of assessment of dues shall be determined by the Board.

Section 4. FISCAL YEAR. The fiscal year of the Corporation shall be July 1 to June 30.

Section 5. SPECIAL ASSESSMENT. Any special assessment of fees in addition to the annual payment of dues specified in this Article to be paid by Members may be determined by the Board only upon majority approval of the ~~Membership class(es) upon whom the assessment is to be levied. When a special assessment will apply to the entire Membership, a majority approval of the Membership is required.~~

ARTICLE IX
Amendments and Dissolution

Section 1. AMENDMENTS BY DIRECTORS. New Bylaws may be adopted, or these Bylaws may be amended or repealed from time to time by action of a two-thirds (2/3) majority vote of the Board, provided that notice of the proposed amendment shall be mailed to each Member of the Corporation not less than fourteen (14) days prior to such action. The Board may not adopt, amend or repeal any Bylaw if that action would materially and adversely affect the Members' rights as to voting or transfer. The Board may not, without the approval of the Members, specify or change any Bylaw provision that would:

- a. Fix or change the authorized number of directors (not including ~~ex-officio~~, non-voting advisory board members ~~of the Board~~);
- b. Fix or change the minimum or maximum number of directors; or
- c. Change from a fixed number of directors to a variable number of directors or vice versa.

- ~~i. If any provision of these Bylaws requires the vote of a larger proportion of the Board than is otherwise required by law, that provision may not be altered, amended or repealed except by that greater vote.~~
- ~~ii. Without the approval of the Members, the Board may not adopt, amend, or repeal any Bylaw that would:~~

d. Increase or extend the terms of directors;

e. ~~11.~~ Allow any director to hold office by designation or selection rather than by election by the Members;

f. Increase the quorum for Members' meeting;

g. Repeal, restrict, create, expand, or otherwise change proxy rights; or

h. Authorize cumulative voting.

If any provision of these Bylaws requires the vote of a larger proportion of the Board than is otherwise required by law, that provision may not be altered, amended or repealed except by that greater vote.

Section 2. AMENDMENTS BY MEMBERS. New Bylaws may be adopted, or these Bylaws may be amended or repealed from time to time, by approval of the Members. Any provision of these Bylaws that requires the vote of a larger proportion of the Members than otherwise is required by law, may not be altered, amended, or repealed except by the vote of that greater number. No amendment may extend the term of a director beyond that for which the director was elected.

Section 3. AMENDMENT TO THE ARTICLES OF INCORPORATION. Any amendment to the Articles of Incorporation shall be adopted only by approval of two-thirds of the voting power of the Board and a majority vote of all of the Members of the corporation, ~~and if such amendment would materially and adversely affect the rights of a class of Membership as to voting and transfer in a manner different than such action affects another class, such amendment must also be approved by a majority vote of the class of Members affected.~~

Section 4. DISSOLUTION. Voluntary dissolution of the corporation shall be effected only in compliance with the provisions of California Corporations Code §6610 through §6617, inclusive, as such law may be amended or supplemented.

ARTICLE X Records and Reports

Section 1. MAINTENANCE AND INSPECTION OF RECORDS. Every Member and director shall have all rights of inspection of the corporation's books, records and documents as are provided for under applicable law. The Board shall cause an annual report to be sent to the Members and directors within one hundred twenty (120) days after the end of the corporation's fiscal year. That report shall contain, in appropriate detail, that information for the fiscal year required under the provisions of California Corporations Code §6321 and §6322, as such statutes may be amended and replaced.

Certificate of Chair

I certify that I am a duly elected and acting Chair of NORTH LAKE T A H O E RESORT ASSOCIATION, INC., a California nonprofit public benefit corporation, that the above Bylaws, consisting of twenty-one-three (231) pages, are the Bylaws of this corporation as adopted by the Board on March 6, 1996, as amended on December 3, 2002, on December 5, 2007, ~~and now~~ on June 1, 2011 and now on January 3, 2018.

Executed on ~~June 3, 2011~~ _____, at Tahoe City, California

Chair, Board of Director



north lake tahoe

Chamber | CVB | Resort Association

Finance Staff Report

Date: 11/30/17

TO: NLTRA Finance Committee

FROM: Al Priester, Director of Finance and Human Resources

RE: Dec 4, 2017 Finance Committee Meeting

The fiscal year 2016-2017 draft audited financial statements will be presented by McClintock Accountancy Corporation at the Dec 4, 2017 Finance Committee Meeting. Management has reviewed and agreed with all client and audit adjustments and is in the process of posting those adjustments to our books. The adjustment for Deferred Revenue is in conjunction with the Auditor's recommendation to modify our methodology to provide for more accurate reporting. As such, both Income Statement and Balance Sheets for fiscal 2017-2018 need revision and October's financial statements are not being presented for review or approval. The revisions are not material in nature and all revised 2017-2018 financials will be presented at the next regularly scheduled Finance Committee meeting.

The fiscal 2017-2018 Annual Budget by Department has been completed including an Attachment C reconciliation that provides final contract numbers for presentation to Placer County.

Action requested: Review and approval of the Draft Audited June 30, 2017 NLTRA Financial Statements. Review and approval of the 2017-2018 Annual Budget and final Attachment C for completing the five month contract ending June 30, 2018 with Placer County.

North Lake Tahoe Resort Association, Inc.

***REPORT TO THE FINANCE COMMITTEE
AND BOARD OF DIRECTORS***

For the Year Ended June 30, 2017

- A. Introduction of firm.
- B. Unmodified or clean opinion on financial statements.
- C. Questions and answers regarding financial statements.
- D. Matters to be Communicated
- Auditor Responsibility – An audit conducted under U.S. generally accepted auditing standards is designed to obtain reasonable, rather than absolute, assurance about the financial statements.
 - Accounting Policies/Accounting Estimates – Significant accounting policies are described in Note 2 to the financial statements. Significant estimates include an allowance for doubtful accounts.
 - Significant adjustments – There were twenty-eight audit adjustments proposed as a result of the current year audit, including twenty by management, compared to fourteen in prior year, two of which were proposed by management. All adjustments were accepted after final review by NLTRA staff. The adjustments related primarily to reversing accruals made at year end, allocating admin expense, truing up equity accounts, adjustments relating to commissions and incentives, reclassification of expenses, recording disposal of fixed assets, and true up of Placer County related balances. There were no passed adjustments.
 - Disagreements with Management – None.
 - Difficulties Encountered in Performing the Audit – None
- E. Presentation of the Internal Control Report.
- F. We would like to thank management for their fine cooperation during the audit.

NORTH LAKE TAHOE RESORT
ASSOCIATION, INC.

Tahoe City, California

DRAFT

INTERNAL CONTROL REPORT

June 30, 2017

McCLINTOCK ACCOUNTANCY CORPORATION

ROBERT J. McCLINTOCK, CPA
MICHAEL R. GRIESMER, CPA
ALICE HAHN

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INTERNAL CONTROL REPORT

To the Officers and Directors
North Lake Tahoe Resort Association, Inc.

In planning and performing our audit of the financial statements of North Lake Tahoe Resort Association, Inc. as of June 30, 2017, in accordance with auditing standards generally accepted in the United States of America, we considered the Association's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the Association's internal control.

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. 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.

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 misstatements on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

Appendix A that accompanies this letter summarizes specific deficiencies and other items identified that remained open as of the year ended June 30, 2017, and our comments and suggestions.

This letter does not affect our report dated November 14, 2017 on the financial statements of North Lake Tahoe Resort Association, Inc.

This communication is intended solely for the information and use of management, the board of directors, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

McCLINTOCK ACCOUNTANCY CORPORATION
Tahoe City, California
November 14, 2017

DRAFT

NORTH LAKE TAHOE RESORT ASSOCIATION
Appendix A (Summary of Internal Control Findings)

Prepared by
McClintock Accountancy Corporation
June 30, 2017

Year Identified	Audit Area	Observations in Initial Year Identified	Recommendation in Initial Year Identified	Status as of June 30, 2017	Management Comment
DEFICIENCIES IN INTERNAL CONTROL OVER FINANCIAL REPORTING					
2016/17	<u>FINANCIAL CLOSE</u>	The engagement was delayed by two weeks and 20 client adjusting entries (some of which were material to the financial statements) were provided subsequent to the start of audit work from September 25, 2017 through November 13, 2017 (our final day of fieldwork). The entries related primarily to adjustment required subsequent to completing balance sheet reconciliations and allocation of Admin expenses. A financial close checklist was utilized by the Director of Finance for the year end close, but deadlines were not conformed to and the checklist was not filled out in its entirety. Additionally, there were several instances throughout the year where financial statements were not presented to the Finance Committee in a timely manner. We understand that the data loss that occurred in January had delayed the preparation of month-end closes and financial statements.	<i>Recommendation:</i> The financial close checklist is not being strictly adhered to as of the current fiscal year end. Going forward we recommend the Association adhere to the deadlines on the checklist in order to close in a timely manner. Initials should be included within the preparer and reviewer column for each step in the financial close process.	New comment in current year. See recommendation.	In January 2017, NLTRA's IT Consultant deleted our Quickbooks file prior to confirming that there was adequate backup. 4 1/2 months of data were lost. With concerted effort, we were able to recover the deleted data over the ensuing 5 months. This data loss prevented the timely issuance of complete financials until after recovery. It also put us in a position that we were not ready for an audit with all its dotted and it's crossed. After assimilation of audit adjustments, we expect to be able to issue monthly financials in a complete and timely manner.
2016/17	<u>PROPERTY AND EQUIPMENT</u>	During the fiscal year, approximately \$54,000 in fixed assets were identified during the audit to be disposed.	<i>Recommendation:</i> We recommend that Management perform an inventory of fixed assets at least annually, to determine whether adjustments need to be made.	New comment in current year. See recommendation.	Fixed Assets will be reviewed annually with the preparation of the Property Tax filing with Placer County.
2016/17	<u>IT BACKUP</u>	The Association's QuickBooks file was not being backed up regularly from July of 2015 through January of 2017. Periodic copies of the Quickbooks files were being made to an accounting hard drive, the last copy being made in September of 2016. Lack of proper backups resulted in loss of the QuickBooks file in January of 2017 when the original files were deleted. This issue stemmed from a change in servers and improper set-up by IT.	<i>Recommendation:</i> We recommend that Management perform regular testing of software backups to ensure that all Association files are being backed up on a regular basis.	New comment in current year. See recommendation.	Current backup procedures entail nightly backup from our primary server, where the current QB files reside, to Carbonite's cloud backup service. In addition, weekly backups are made to a thumb drive and stored offsite.
PRIOR YEAR OTHER MATTERS					
2015/16	<u>CODING OF EXPENSES</u>	Coding of expenses has been inconsistently applied year over year making management and understanding of the financial statements a difficult process when reviewing year over year variances	<i>Recommendation:</i> We recommend a process be put in place whereby management reviews the chart of accounts and the expectations for coding expenses going forward. This should also align with the budgeting process and accounting in accordance with the terms of the current contract.	Coding throughout the year was consistent with budget although there were changes in the chart of accounts at the beginning of the year resulting in difficulty reviewing expenses year over year.	Coding will be consistently applied year over year going forward.

NORTH LAKE TAHOE RESORT ASSOCIATION
Appendix A (Summary of Internal Control Findings)

Prepared by
McClintock Accountancy Corporation
June 30, 2017

Year Identified	Audit Area	Observations in Initial Year Identified	Recommendation in Initial Year Identified	Status as of June 30, 2017	Management Comment
2015/16	<u>PLACER COUNTY CONTRACT</u>	The Association continues to be subject to complex accounting issues as a result of annual changes to the Placer County contract. Related accounting considerations are not thoroughly considered and documented until the annual audit.	<i>Recommendation:</i> We suggest the Association prepare a memo that summarizes the details of the contract and the related accounting conclusions reached for each contract year. The memo should include conclusions reached with respect to approved grant expenditures.	No such memo was prepared, however, management has been discussing the treatment of grants and revenue recognition with Placer County. No conclusions have been made.	After extensive discussions with the County during the negotiations of three separate contracts during fiscal 17-18, we are now in a position to memorialize the correct treatment of the various accounting issues these contracts have presented. This will be accomplished prior to the conclusion of the final 17-18 contract negotiations.
2015/16	<u>INVENTORY</u>	During the 2016 physical inventory count there was a discrepancy between actual inventory counted and the inventory sub-ledger maintained on the QuickBooks POS. This resulted in a \$2,600 book to physical adjustment prior to year-end. While not material to the Association's financial statements, the Association's investigation was unable to identify an underlying cause of the discrepancy.	<i>Recommendation:</i> In order to strengthen controls surrounding physical inventory counts, we recommend the following: 1) Develop written procedures for physical inventories to be provided to all employees involved in the count process prior to the count taking place. These procedures should include physical inventory planning prior to the count, the timing of the count, providing accounting with final count details, and allowing enough time for a representative from the accounting department to review and re-perform the counts as deemed necessary. We have provided the Association with some samples that can assist in developing a procedure document. 2) Perform full physical inventory counts after hours at least quarterly. The Association can monitor book to physical adjustments and adjust the timing of the counts as necessary.	Management performed inventory counts for 3 quarters, excepting the quarter of the data loss during which priorities shifted and there wasn't staff availability to monitor the count. One of the three counts performed was a blind count, as suggested by us in 2016.	2015/16: An additional inventory count was performed in August of 2016, resulting in a positive book to actual adjustment of \$279. Going forward, inventory accounts will be performed quarterly. 2016/17: Inventory will be counted quarterly with at least one blind count per year.

NORTH LAKE TAHOE RESORT ASSOCIATION
Appendix A (Summary of Internal Control Findings)

Prepared by
McClintock Accountancy Corporation
June 30, 2017

<u>Year Identified</u>	<u>Audit Area</u>	<u>Observations in Initial Year Identified</u>	<u>Recommendation in Initial Year Identified</u>	<u>Status as of June 30, 2017</u>	<u>Management Comment</u>
CLOSED MATTERS					
2015/16	<u>941 RECONCILIATIONS</u>	Payroll is not reconciled to the quarterly 941 payroll reports.	<i>Recommendation:</i> We suggest the Association begin performing reconciliations to the 941 reports.	941 reconciliations were prepared each quarter, all of which were provided for the audit.	Matter closed
2015/16	<u>SEGREGATION OF DUTIES</u>	Checks are currently printed and signed (one of two required signatures) by the Directors of Finance.	<i>Recommendation:</i> In order to enhance segregation of duties, we recommend that check stock and printing be maintained and implemented by the staff accountant.	Checks are now printed by the staff accountant and then signed by the Director of Finance	Matter closed
2015/16	<u>MEMBERSHIP BILLING</u>	During the current fiscal year conference memberships were never billed as required at the first of the calendar year due to miscommunications amongst departments.	<i>Recommendation:</i> Given the consistent utilization of this software, it would be in the Association's best interest to ensure Management and staff are up to date on the functions and shortcuts that the software can offer in order to increase efficiency. This can be done by investing in training for Management and staff whom are regularly using Microsoft excel.	Management has amended the membership period from a calendar year to an annual membership that correlates with the fiscal year. The billing procedure has been added to the financial close checklist. We found no instances of members not being billed in the year ended 9/30/17. There is a new Director of Membership that has a procedure in place for billing and following up on unpaid membership dues. This procedure has been effective.	Matter closed

Recent Accounting Pronouncements

ASU 2016-14: Presentation of Financial Statements for Not-for-Profit Entities

The ASU is focused on improving net asset classification requirements and information provided in financial statements and notes about liquidity, financial performance, and cash flows. New reporting requires expenses to be reported by function and nature. Current standards only require reporting expenses by function. Effective for fiscal year ending June 30, 2019.

ASU 2014-09: Revenue from Contracts with Customer

Set up to develop a common revenue standard for U.S. GAAP and IFRS. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This ASU supersedes current revenue recognition guidance. A five step revenue recognition process which will need to be thoroughly considered and documented. Effective for fiscal year ending June 30, 2020.

ASU 2016-02: Leases

Requires entities whom enter into a lease to record a right of use asset and a lease liability at lease inception. Effective for fiscal year ending June 30, 2021.

DRAFT

North Lake Tahoe Resort Association, Inc.

November 14, 2017

To McClintock Accountancy Corporation

This representation letter is provided in connection with your audit of the financial statements of North Lake Tahoe Resort Association, Inc., which comprise the statements of financial position as of June 30, 2017 and 2016, and the related statements of activities and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of November 14, 2017, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated December 7, 2016, including our responsibility for the preparation and fair presentation of the financial statements.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
3. We acknowledge our responsibility 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.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates are reasonable.
6. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
7. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
8. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
9. Material concentrations have been appropriately disclosed in accordance with U.S. GAAP.
10. Guarantees, whether written or oral, under which the organization is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.

Information Provided

11. We have provided you with:
 - Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - Additional information that you have requested from us for the purpose of the audit.
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
12. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
13. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
14. We have no knowledge of any fraud or suspected fraud that affects the organization and involves:
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
15. We have no knowledge of any allegations of fraud or suspected fraud affecting the organization's financial statements communicated by employees, former employees, grantors, regulators, or others.
16. We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
17. We have disclosed to you the identity of the organization's related parties and all the related party relationships and transactions of which we are aware.
18. The organization has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
19. North Lake Tahoe Resort Association, Inc. is an exempt organization under Section 501(c)(4) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Organization's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.
20. We are in agreement with the adjusting journal entries you have provided and they have been posted to the Association's book of accounts.

21. In regard to the financial statement preparation services performed by you, we have—

- Assumed all management responsibilities.
- Designated a member of management who has suitable skill, knowledge, or experience to oversee the services.
- Evaluated the adequacy and results of the services performed.
- Accepted responsibility for the results of the services.

Signature: _____

Title: _____

Signature: _____

Title: _____

North Lake Tahoe Resort Association
Grouping Schedule Report
Leadsheet codes

	Adjusted Balance Jun 30, 2016	Unadjusted Jun 30, 2017	Adjusting AJE	Adjusted Balance Jun 30, 2017
A Cash and Cash Equivalents				
1001-00 - Petty Cash	1,000.00	223.85		223.85
1003-00 - Cash - Operations BOTW #6712	419,238.41	757,355.52		757,355.52
1007-00 - Cash - Payroll BOTW #7421	5,255.55	10,974.29		10,974.29
1008-00 - Marketing Reserve - Plumas	50,018.09	50,093.17		50,093.17
1009-00 - Cash Flow Reserve - Plumas	100,048.23	100,248.52		100,248.52
1071-00 - Payroll Reserves BOTW #8163	29,581.56	29,581.56		29,581.56
1080-00 - Special Events BOTW #1626	13,144.02	100,520.92		100,520.92
1095-00 - Cash in Drawer	361.80	867.04		867.04
1205-00 - Undeposited Funds	107,730.65	0.00		0.00
A Cash and Cash Equivalents Total	726,378.31	1,049,864.87	0.00	1,049,864.87
B Accts Receivable				
1200-00 - Quickbooks Accounts Receivable caje03 to adjust commission revenue caje17 to reverse duplicate commissions recorded	72,038.63	21,504.43	1,045.87 (1,837.40)	20,712.90
1200-99 - AR Other caje05 to move JTs Lifelock to the correc account	3,717.04	1,598.66	15.64	1,614.30
1201-00 - WebLink Accounts Receivable 2 to reverse accrual of deferred and AR	71,765.00	25,435.00	(14,855.00)	10,580.00
1201-02 - Allowance for Doubtful Accounts	(36,595.00)	(3,343.00)		(3,343.00)
B Accts Receivable Total	110,925.67	45,195.09	(15,630.89)	29,564.20
B-1 Placer County Receivable				
1290-00 - A/R - TOT	(23,940.82)	0.00		0.00
B-1 Placer County Receivable Total	(23,940.82)	0.00	0.00	0.00
B-2 AR - intercompany				
1298-00 - Receivable from Employees	40.00	0.00		0.00
1299-00 - Receivable from NLTMC	6,803.02	0.00		0.00
B-2 AR - intercompany Total	6,843.02	0.00	0.00	0.00
C Inventories				
1210-10 - Inventory Asset	32,408.18	31,787.23		31,787.23
C Inventories Total	32,408.18	31,787.23	0.00	31,787.23
L Prepaid Exp and Other				
1400-00 - Prepaid Expenses caje15 to remove from expense to prepaic to be amortized over the period 7/1/17- 12/31/19 1 to reverse accrual of prepaid that wasnt paid in CY	4,709.61	13,294.04	7,125.00 (9,263.83)	11,155.21
1410-00 - Prepaid Insurance	3,166.32	2,644.16		2,644.16
1430-00 - Prepaid 1st Class Postage	1,000.00	1,000.00		1,000.00
L Prepaid Exp and Other Total	8,875.93	16,938.20	(2,138.83)	14,799.37

North Lake Tahoe Resort Association
Grouping Schedule Report
Leadsheet codes

	<u>Adjusted Balance</u> <u>Jun 30, 2016</u>	<u>Unadjusted</u> <u>Jun 30, 2017</u>	<u>Adjusting AJE</u>	<u>Adjusted Balance</u> <u>Jun 30, 2017</u>
Current Assets Total	861,490.29	1,143,785.39	(17,769.72)	1,126,015.67
UV Property & Equipment				
1700-00 - Furniture & Fixtures	68,767.95	68,767.95		68,767.95
1740-00 - Computer Equipment	43,766.13	43,766.13		8,435.60
8 to record fixed asset disposals			(35,330.53)	
1750-00 - Computer Software	34,993.97	40,080.06		21,520.46
8 to record fixed asset disposals			(18,559.60)	
1770-00 - Leasehold Improvements	24,283.86	24,283.86		24,283.86
UV Property & Equipment Total	<u>171,811.91</u>	<u>176,898.00</u>	<u>(53,890.13)</u>	<u>123,007.87</u>
UV-1 Acc. Depr.- Prop and Eq.				
1701-00 - Accum. Depr. - Furn & Fix	(68,767.95)	(68,767.95)		(68,767.95)
1741-00 - Accum. Depr. - Computer Equip	(42,218.00)	(43,025.48)		(7,694.95)
8 to record fixed asset disposals			35,330.53	
1751-00 - Accum. Amort. - Software	(33,795.00)	(35,251.01)		(16,691.41)
8 to record fixed asset disposals			18,559.60	
1771-00 - Accum. Amort - Leasehold Impr	(24,067.37)	(24,267.41)		(24,267.41)
UV-1 Acc. Depr.- Prop and Eq. Total	<u>(168,848.32)</u>	<u>(171,311.85)</u>	<u>53,890.13</u>	<u>(117,421.72)</u>
Net Property and Equipment Total	<u>2,963.59</u>	<u>5,586.15</u>	<u>0.00</u>	<u>5,586.15</u>
Assets Total	<u>864,453.88</u>	<u>1,149,371.54</u>	<u>(17,769.72)</u>	<u>1,131,601.82</u>
AA Accounts Payable				
2000-00 - Accounts Payable	(160,730.57)	(234,280.34)		(222,016.51)
1 to reverse accrual of prepaid that wasnt paid in CY			9,263.83	
4 to reverse accrual of Tahoe Trail event that occurred in 2017/18			5,000.00	
caje19 to record unrecorded tax expense at year end			(2,000.00)	
2001-00 - Credit Card Payable	(29,105.41)	0.00		0.00
2080-01 - MC_5901_Hall	0.00	(151.00)		(151.00)
2080-02 - MC_4222_Jason	0.00	(14.99)		(14.99)
2080-06 - MC_5288_Emily	0.00	(422.97)		(422.97)
2080-08 - MC_5755_John	0.00	(339.84)		(339.84)
2080-09 - MC_0319_Sarah	0.00	(288.38)		(288.38)
2080-10 - MC_9495_Al	0.00	(298.19)		(298.19)
2080-11 - MC_3978_Amber	0.00	(806.59)		(806.59)
2080-12 - MC_3960_Natalie	0.00	(1,168.44)		(1,168.44)
AA Accounts Payable Total	<u>(189,835.98)</u>	<u>(237,770.74)</u>	<u>12,263.83</u>	<u>(225,506.91)</u>
BB Accrued Liabilities				
2100-00 - Salaries / Wages Payable	(35,719.15)	(38,973.37)		(38,973.37)
2101-00 - Incentive Payable	(40,243.00)	(86,508.99)		(68,890.65)
caje04 to reduce incentive accrual to actuals paid for FY 2016-17			24,552.31	
caje20 to accrue incentive due to Al Priester			(6,933.97)	
2102-00 - Commissions Payable	(8,404.31)	(7,823.98)		(7,823.98)
2120-00 - Empl. Federal Tax Payable	(2,888.75)	(3,117.87)		(3,117.87)

North Lake Tahoe Resort Association
Grouping Schedule Report
Leadsheet codes

	Adjusted Balance Jun 30, 2016	Unadjusted Jun 30, 2017	Adjusting AJE	Adjusted Balance Jun 30, 2017
2175-00 - 401 (k) Plan	(1,104.44)	(1,558.93)		(1,558.93)
2180-00 - Estimated PTO Liability	(60,648.50)	(74,725.45)		(74,725.45)
2190-00 - Sales and Use Tax Payable	(149.00)	(2,225.84)		(2,225.84)
2250-00 - Accrued Expenses	(20,000.31)	(8,080.32)		(26,912.45)
caje06 to accrue grant for Squaw Valley Half Marathon on 6/11/17			(4,000.00)	
caje07 to reduce accrual for computers to actual			107.87	
caje09 to accrue expense in proper period			(14,940.00)	
2410-00 - Wage Garnishment Payable	(899.48)	0.00		0.00
2550-00 - Sales Tax Payable	(1,469.00)	0.00		0.00
2800-00 - Suspense	0.00	(727.04)		(248.00)
caje11 to reclassify portion of principal insurance to the correct account/department			(296.96)	
caje12 to record refund check for overpayment of property tax			776.00	
2900-00 - Due To/From County of Placer	0.00	(64.81)		(231,038.68)
3 to record funds not spent payable back to county (r&p)			(51,009.45)	
5 to true up Placer revenue based on unused funds			(160,878.28)	
caje14 to move funds to acct due back to county (due to a refund)			13,160.00	
7 to reduce revenues by unspent contract dollars			(34,935.05)	
7 to reduce revenues by unspent contract dollars			2,688.91	
BB Accrued Liabilities Total	<u>(171,525.94)</u>	<u>(223,806.60)</u>	<u>(231,708.62)</u>	<u>(455,515.22)</u>
CC Deposits				
1490-00 - Security Deposits	0.00	50.00		50.00
CC Deposits Total	<u>0.00</u>	<u>50.00</u>	<u>0.00</u>	<u>50.00</u>
DD Def. Revenue - Member Due				
2400-60 - Deferred Revenue- Member Dues	(69,550.30)	(67,342.08)		(52,487.08)
2 to reverse accrual of deferred and AR			14,855.00	
DD Def. Revenue - Member Due Total	<u>(69,550.30)</u>	<u>(67,342.08)</u>	<u>14,855.00</u>	<u>(52,487.08)</u>
Current Liabilities Total	<u>(430,912.22)</u>	<u>(528,869.42)</u>	<u>(204,589.79)</u>	<u>(733,459.21)</u>
TT Unrestricted Net Assets				
3200-00 - Unrestricted Net Assets	(62,655.64)	(22,635.91)		(9,286.63)
caje01 to adjust fund balances to agree to PY financials			48.23	
caje13 to record PY CHP refund in the proper period			(1,593.65)	
caje18 to record additional revenue per th 6th amendment			12,371.00	
6 to increase designated marketing reserv- to 10% of 3 year average mkt expenditures			2,523.70	
3300-11 - Designated Marketing Reserve	(254,324.57)	(254,324.57)		(256,830.18)
caje01 to adjust fund balances to agree to PY financials			18.09	

North Lake Tahoe Resort Association
Grouping Schedule Report
Leadsheet codes

		Adjusted Balance Jun 30, 2016	Unadjusted Jun 30, 2017	Adjusting AJE	Adjusted Balance Jun 30, 2017
	6 to increase designated marketing reserve to 10% of 3 year average mkt expenditures			(2,523.70)	
	3301-00 - Cash Flow Reserve	(100,000.00)	(100,200.29)		(100,048.23)
	caje01 to adjust fund balances to agree to PY financials			(48.23)	
	caje02 to reclassify revenue out of fund accounts			200.29	
	3302-00 - Marketing Cash Reserve	(50,000.00)	(50,075.08)		(50,018.09)
	caje01 to adjust fund balances to agree to PY financials			(18.09)	
	caje02 to reclassify revenue out of fund accounts			75.08	
TT	Unrestricted Net Assets Total	<u>(466,980.21)</u>	<u>(427,235.85)</u>	<u>11,052.72</u>	<u>(416,183.13)</u>
	(Profit)/Loss	33,438.55	(193,266.27)	211,306.79	18,040.52
	Equity Total	<u>(433,541.66)</u>	<u>(620,502.12)</u>	<u>222,359.51</u>	<u>(398,142.61)</u>
	Liabilities/Equity Total	<u>(864,453.88)</u>	<u>(1,149,371.54)</u>	<u>17,769.72</u>	<u>(1,131,601.82)</u>
10	P.C. Grant Rev.				
	4050-11 - County of Placer TOT Funding	(2,237,157.39)	(2,665,685.00)		(2,581,813.50)
	caje18 to record additional revenue per the 6th amendment			(12,371.00)	
	5 to true up Placer revenue based on unused funds			62,743.76	
	7 to reduce revenues by unspent contract dollars			33,498.74	
	4050-30 - County of Placer TOT Funding	(312,082.70)	(289,596.00)		(269,435.12)
	5 to true up Placer revenue based on unused funds			20,160.88	
	4050-41 - County of Placer TOT Funding	(202,780.21)	(264,216.00)		(212,012.05)
	3 to record funds not spent payable back to county (r&p)			17,176.00	
	5 to true up Placer revenue based on unused funds			33,591.64	
	7 to reduce revenues by unspent contract dollars			1,436.31	
	4050-42 - County of Placer TOT Funding	(289,923.00)	(333,924.00)		(309,788.28)
	5 to true up Placer revenue based on unused funds			24,135.72	
	4050-50 - County of Placer TOT Funding	(197,819.88)	(222,564.00)		(171,173.18)
	3 to record funds not spent payable back to county (r&p)			33,833.45	
	5 to true up Placer revenue based on unused funds			20,246.28	
	7 to reduce revenues by unspent contract dollars			(2,688.91)	
10	P.C. Grant Rev. Total	<u>(3,239,763.18)</u>	<u>(3,775,985.00)</u>	<u>231,762.87</u>	<u>(3,544,222.13)</u>
30	Member Dues				
	4200-30 - Membership Dues	(8,412.38)	0.00		0.00
	4200-60 - Membership Dues	(125,069.45)	(138,164.22)		(138,164.22)

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	<u>Adjusted Balance Jun 30, 2016</u>	<u>Unadjusted Jun 30, 2017</u>	<u>Adjusting AJE</u>	<u>Adjusted Balance Jun 30, 2017</u>
4201-60 - New Member Fees	(2,045.00)	(975.00)		(975.00)
4205-30 - Conference Dues	0.00	(7,700.00)		(7,700.00)
30 Member Dues Total	<u>(135,526.83)</u>	<u>(146,839.22)</u>	<u>0.00</u>	<u>(146,839.22)</u>
40 Member services & special				
4250-60 - Revenue - Membership Activities	(62,785.47)	(37,402.33)		(37,402.33)
4251-60 - Revenue-Tue AM Breakfast Club	(10,225.00)	(6,989.42)		(6,989.42)
4252-60 - Revenue - Sponsorships	(500.00)	(500.00)		(500.00)
4350-11 - Special Events (Marketing)	(41,035.65)	0.00		0.00
40 Member services & special Total	<u>(114,546.12)</u>	<u>(44,891.75)</u>	<u>0.00</u>	<u>(44,891.75)</u>
50 Retail sales & other				
4502-42 - Non-retail VIC income	(3,157.10)	(5,767.00)		(5,767.00)
4502-60 - Non-retail VIC income	(375.00)	0.00		0.00
4602-42 - Merchandise Sales	(75,202.73)	(91,309.03)		(91,309.03)
5250-42 - Purchase Discounts	(129.45)	(1,431.86)		(1,431.86)
5290-42 - Purchases - Resale items	0.00	54.00		54.00
50 Retail sales & other Total	<u>(78,864.28)</u>	<u>(98,453.89)</u>	<u>0.00</u>	<u>(98,453.89)</u>
60 Commissions & Bookings				
4600-30 - Commissions	(174,962.49)	(106,721.39)		(100,944.46)
caje16 to adjust commission revenue			2,555.00	
caje16 to adjust commission revenue			2,430.40	
caje03 to adjust commission revenue			(1,045.87)	
caje17 to reverse duplicate commissions recorded			1,837.40	
4601-30 - Commissions - South Shore	(13,395.34)	(8,967.66)		(8,967.66)
60 Commissions & Bookings Total	<u>(188,357.83)</u>	<u>(115,689.05)</u>	<u>5,776.93</u>	<u>(109,912.12)</u>
70 Interest Income				
4701-00 - Interest Income - CF Reserve	(48.23)	0.00		(200.29)
caje02 to reclassify revenue out of fund accounts			(200.29)	
4702-00 - Interest Income - MKT Reserve	(18.09)	0.00		(75.08)
caje02 to reclassify revenue out of fund accounts			(75.08)	
70 Interest Income Total	<u>(66.32)</u>	<u>0.00</u>	<u>(275.37)</u>	<u>(275.37)</u>
Sales Total	<u>(3,757,124.56)</u>	<u>(4,181,858.91)</u>	<u>237,264.43</u>	<u>(3,944,594.48)</u>
Revenue Total	<u>(3,757,124.56)</u>	<u>(4,181,858.91)</u>	<u>237,264.43</u>	<u>(3,944,594.48)</u>
100 Marketing				
5000-11 - Salaries / Wages Other	263,119.38	270,416.31		266,336.63
caje04 to reduce incentive accrual to actuals paid for FY 2016-17			(4,079.68)	
5001-11 - In-Market Administration	14,500.00	16,500.00		16,500.00
5020-11 - P/R - Tax Expense	22,700.53	21,753.34		21,753.34
5030-11 - P/R - Health Insurance Expense	26,199.89	44,332.64		44,336.64
caje11 to reclassify portion of principal insurance to the correct account/department			4.00	

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	Adjusted Balance Jun 30, 2016	Unadjusted Jun 30, 2017	Adjusting AJE	Adjusted Balance Jun 30, 2017
5040-11 - P/R - Workmans Comp	1,179.08	1,241.88		437.88
caje14 to move funds to acct due back to county (due to a refund)			(804.00)	
5060-11 - 401 (k)	8,886.25	9,114.70		9,114.70
5070-11 - Other Benefits and Expenses	2,037.88	1,414.00		1,398.36
caje05 to move JTs Lifelock to the correc account			(15.64)	
5100-11 - Rent - Other	19,511.95	22,927.37		22,927.37
5110-11 - Utilities	1,526.72	1,572.67		1,572.67
5140-11 - Repairs & Maintenance	1,312.55	1,749.82		1,749.82
5150-11 - Office - Cleaning	1,718.61	2,269.18		2,269.18
5320-11 - Telephone	6,317.14	6,328.07		6,328.07
5350-11 - Internet	289.85	224.85		224.85
5420-11 - Mail - USPS - Other	74.03	486.84		486.84
5470-11 - Mail - UPS	558.71	100.00		100.00
5480-11 - Mail - Fed Ex	661.63	31.13		31.13
5510-11 - Insurance/Bonding	1,366.80	1,309.71		1,309.71
5520-11 - Supplies	0.00	1,547.35		1,547.35
5521-11 - Supplies - Other	3,232.92	0.00		0.00
5525-11 - Supplies- Computer <\$1000	3,786.98	201.31		201.31
5610-11 - Depreciation	1,541.47	303.00		303.00
5700-11 - Equipment Support & Maintenance	1,341.75	2,254.61		2,254.61
5710-11 - Taxes, Licenses & Fees	303.35	309.67		115.67
caje12 to record refund check for overpayment of property tax			(194.00)	
5740-11 - Equipment Rental/Leasing	1,690.02	1,594.96		1,594.96
5800-11 - Training Seminars	2,125.48	3,180.61		3,180.61
5810-11 - Public Outreach	0.00	1,650.00		1,650.00
5815-11 - Training Video Series	0.00	10,327.80		10,327.80
5820-11 - Sales CRM/CMS	0.00	2,373.94		2,373.94
5900-11 - Professional Fees	0.00	4,031.25		4,031.25
5920-11 - Professional Fees - Accountant	7,500.00	0.00		0.00
5941-11 - Research & Planning	0.00	12,300.00		12,300.00
6015-11 - Cross Country	0.00	4,000.00		4,000.00
6016-11 - Special Event Partnership	12,924.05	39,019.51		43,019.51
caje06 to accrue grant for Squaw Valley Half Marathon on 6/11/17			4,000.00	
6018-11 - Business Assoc. Grants	30,000.00	30,000.00		30,000.00
6023-11 - Autumn Food & Wine - Other	32,875.02	32,897.86		32,897.86
6025-11 - AFW- Postage	17.69	0.00		0.00
6420-01 - No Barriers	0.00	8,979.15		8,979.15
6420-11 - WinterWonderGrass_Tahoe	14,600.00	15,400.00		15,400.00
6421-01 - 4th of July Fireworks	0.00	20,000.00		20,000.00
6421-02 - AMGEN Tour of California	0.00	19,165.00		19,165.00
6421-03 - Barcelona Soccer	0.00	3,000.00		3,000.00
6421-04 - Broken Arrow Skyrace	0.00	20,000.00		20,000.00
6421-06 - Spartan	0.00	198,550.00		198,550.00
6421-07 - Tahoe Lacrosse Tournament	0.00	5,000.00		5,000.00
6421-09 - Wanderlust	0.00	35,367.73		35,367.73
6421-11 - New Event Development	36,211.82	5,880.28		5,880.28
6421-12 - World Cup	0.00	39,564.10		39,564.10
6421-13 - Big Blue Adventure	0.00	21,500.00		21,500.00
6421-14 - Tahoe Trail 100	0.00	5,000.00		0.00
4 to reverse accrual of Tahoe Trail event that occurred in 2017/18			(5,000.00)	

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	Adjusted Balance Jun 30, 2016	Unadjusted Jun 30, 2017	Adjusting AJE	Adjusted Balance Jun 30, 2017
6421-15 - Lake Tahoe Dance Collective	0.00	5,000.00		5,000.00
6422-02 - Photography	0.00	6,363.00		6,363.00
6422-03 - Human Powered Sports Campaign	0.00	60,000.21		60,000.21
6422-04 - PR	0.00	3,500.00		3,500.00
6422-05 - Other	0.00	2,500.00		2,500.00
6422-06 - Music Campaign	0.00	12,951.59		12,951.59
6422-11 - IronMan Lake Tahoe	425,242.47	0.00		0.00
6424-11 - Event Operation Expenses	0.00	8,914.78		8,914.78
6426-11 - Dues & Subscriptions	0.00	109.40		109.40
6427-11 - USA Cycling	(4,790.14)	0.00		0.00
6429-11 - Events - Other	89,525.00	0.00		0.00
6490-11 - Classified Ads	0.00	50.00		50.00
6600-11 - Promotions/Giveaways	0.00	32.14		32.14
6701-11 - Market Study Reports/Research	5,398.94	402.40		402.40
6730-11 - Marketing Cooperative/Media	962,499.83	1,167,370.96		1,167,370.96
6742-11 - Non-NLT Co-Op Marketing Progr	36,424.85	27,185.65		18,265.65
caje15 to remove from expense to prepaid to be amortized over the period 7/1/17- 12/31/19			(7,125.00)	
caje14 to move funds to acct due back to county (due to a refund)			(1,795.00)	
6743-11 - Shop Local	8,330.43	17,105.61		17,105.61
6744-11 - Shopping Destination	11,197.59	0.00		0.00
6745-11 - Touch Lake Tahoe	20,200.00	15,666.65		15,666.65
6746-11 - High Notes	31,631.83	24,402.82		16,387.82
caje14 to move funds to acct due back to county (due to a refund)			(8,015.00)	
6747-11 - Peak Your Adventure	21,900.00	19,716.00		19,716.00
6748-11 - BACC Marketing Programs - Othe	40.00	0.00		0.00
7500-11 - Trade Shows/Travel	362.45	15.00		15.00
8200-11 - Associate Relations	374.61	381.49		381.49
8500-11 - Credit Card Fees	90.00	65.00		65.00
8700-11 - Automobile Expenses	1,943.66	1,604.71		1,604.71
8750-11 - Meals/Meetings	2,026.87	2,392.98		2,392.98
8810-11 - Dues & Subscriptions	13,373.64	3,941.18		3,941.18
8910-11 - Travel	1,566.69	9,714.11		9,714.11
8930-11 - Prior Period Adjustments	6,669.85	0.00		0.00
8990-11 - Allocated	223,410.00	0.00		232,290.16
caje10 to allocate admin expense after all audit adjustments			232,290.16	
100 Marketing Total	2,377,530.12	2,334,556.32	209,265.84	2,543,822.16
200 Conference				
5000-30 - Salaries / Wages Other	138,303.23	144,675.58		144,214.10
caje04 to reduce incentive accrual to actuals paid for FY 2016-17			(461.48)	
5010-30 - Sales Commissions	23,075.16	39,913.74		39,913.74
5020-30 - P/R - Tax Expense	13,371.63	15,052.25		15,052.25
5030-30 - P/R - Health Insurance Expense	13,311.79	14,997.59		14,997.59
5040-30 - P/R - Workmans Comp	1,179.08	879.71		310.21
caje14 to move funds to acct due back to county (due to a refund)			(569.50)	
5060-30 - 401 (k)	6,604.93	7,285.99		7,285.99
5070-30 - Other Benefits and Expenses	477.82	778.76		778.76

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	<u>Adjusted Balance</u> <u>Jun 30, 2016</u>	<u>Unadjusted</u> <u>Jun 30, 2017</u>	<u>Adjusting AJE</u>	<u>Adjusted Balance</u> <u>Jun 30, 2017</u>
5100-30 - Rent - Other	9,756.31	10,983.75		10,983.75
5110-30 - Utilities	768.65	790.12		790.12
5140-30 - Repairs & Maintenance	681.92	907.24		907.24
5150-30 - Office - Cleaning	862.81	1,134.66		1,134.66
5320-30 - Telephone	2,815.92	2,876.06		2,876.06
5420-30 - Mail - USPS - Other	114.37	229.06		229.06
5470-30 - Mail - UPS	540.06	100.00		100.00
5510-30 - Insurance/Bonding	1,366.80	1,309.70		1,309.70
5521-30 - Supplies - Other	482.35	0.00		0.00
5525-30 - Supplies- Computer <\$1000	94.99	12.57		12.57
5610-30 - Depreciation	801.48	156.48		156.48
5700-30 - Equipment Support & Maintenance	649.27	760.87		760.87
5710-30 - Taxes, Licenses & Fees	136.32	154.27		53.39
caje12 to record refund check for overpayment of property tax			(100.88)	
5740-30 - Equipment Rental/Leasing	1,607.84	1,500.27		1,500.27
6421-30 - New Event Development	256.24	0.00		0.00
6730-30 - Marketing Cooperative/Media	119,505.00	110,000.04		110,000.04
6800-30 - Conference commissions	2,681.46	0.00		0.00
8200-30 - Associate Relations	141.78	0.00		0.00
8500-30 - Credit Card Fees	90.00	0.00		0.00
8700-30 - Automobile Expenses	115.57	147.96		147.96
8750-30 - Meals/Meetings	0.00	110.00		110.00
8810-30 - Dues & Subscriptions	435.00	815.00		815.00
8990-30 - Allocated	51,198.13	0.00		53,233.17
caje10 to allocate admin expense after all audit adjustments			53,233.17	
200 Conference Total	<u>391,425.91</u>	<u>355,571.67</u>	<u>52,101.31</u>	<u>407,672.98</u>
300 Transportation				
5000-41 - Salaries / Wages Other	75,174.55	85,603.29		84,862.47
caje04 to reduce incentive accrual to actuals paid for FY 2016-17			(740.82)	
5020-41 - P/R - Tax Expense	6,326.38	6,505.24		6,505.24
5030-41 - P/R - Health Insurance Expense	3,646.98	5,519.05		5,519.05
5040-41 - P/R - Workmans Comp	1,310.10	310.47		109.47
caje14 to move funds to acct due back to county (due to a refund)			(201.00)	
5060-41 - 401 (k)	2,996.97	3,181.89		3,181.89
5070-41 - Other Benefits and Expenses	166.11	95.15		95.15
5100-41 - Rent - Other	6,611.44	4,393.49		4,393.49
5110-41 - Utilities	510.54	336.88		336.88
5140-41 - Repairs & Maintenance	421.15	543.81		543.81
5150-41 - Office - Cleaning	570.43	453.89		453.89
5320-41 - Telephone	2,120.52	2,314.33		2,314.33
5420-41 - Mail - USPS - Other	46.92	140.96		140.96
5470-41 - Mail - UPS	270.03	50.00		50.00
5510-41 - Insurance/Bonding	215.80	206.77		206.77
5520-30 - Supplies	0.00	380.75		380.75
5520-41 - Supplies	0.00	154.38		154.38
5521-41 - Supplies - Other	730.86	0.00		0.00
5525-41 - Supplies- Computer <\$1000	0.00	136.74		136.74
5610-41 - Depreciation	493.21	89.29		89.29
5700-41 - Equipment Support & Maintenance	403.92	296.50		296.50

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	<u>Adjusted Balance</u> <u>Jun 30, 2016</u>	<u>Unadjusted</u> <u>Jun 30, 2017</u>	<u>Adjusting AJE</u>	<u>Adjusted Balance</u> <u>Jun 30, 2017</u>
5710-41 - Taxes, Licenses & Fees	83.89	94.93		32.85
caje12 to record refund check for overpayment of property tax			(62.08)	
5740-41 - Equipment Rental/Leasing	1,425.79	1,321.06		1,321.06
5830-30 - Commission Due to Third Party	0.00	375.37		(4,610.03)
caje16 to adjust commission revenue			(2,555.00)	
caje16 to adjust commission revenue			(2,430.40)	
5940-41 - Research & Planning Membership	0.00	3,000.00		3,000.00
5941-41 - Research & Planning	47,382.87	7,884.00		22,824.00
caje09 to accrue expense in proper period			14,940.00	
5948-41 - Transportation Projects	0.00	24,781.18		24,781.18
5953-41 - Summer Traffic Management (S-2)	0.00	(1,481.78)		111.87
caje13 to record PY CHP refund in the proper period			1,593.65	
6429-41 - Sponsorship - Other	100.00	0.00		0.00
8200-41 - Associate Relations	120.69	0.00		0.00
8500-41 - Credit Card Fees	22.50	22.50		22.50
8700-41 - Automobile Expenses	1,420.41	598.91		598.91
8750-41 - Meals/Meetings	1,045.02	911.98		911.98
8810-41 - Dues & Subscriptions	0.00	13.50		13.50
8930-41 - Prior Period Adjustments	(2,035.00)	0.00		0.00
8990-41 - Allocated	51,198.13	0.00		53,233.17
caje10 to allocate admin expense after all audit adjustments			53,233.17	
300 Transportation Total	<u>202,780.21</u>	<u>148,234.53</u>	<u>63,777.52</u>	<u>212,012.05</u>
400 Visitor Info. Center				
5000-42 - Salaries / Wages Other	148,821.43	170,868.00		167,830.70
caje04 to reduce incentive accrual to actuals paid for FY 2016-17			(3,037.30)	
5020-42 - P/R - Tax Expense	13,966.00	15,837.49		15,837.49
5030-42 - P/R - Health Insurance Expense	18,670.42	20,305.41		20,436.29
caje11 to reclassify portion of principal insurance to the correct account/department			130.88	
5040-42 - P/R - Workmans Comp	2,489.10	983.20		346.70
caje14 to move funds to acct due back to county (due to a refund)			(636.50)	
5060-42 - 401 (k)	5,462.36	6,161.86		6,161.86
5070-42 - Other Benefits and Expenses	577.82	553.76		553.76
5100-42 - Rent - Other	69,525.29	78,765.89		76,965.89
caje08 to reclassify Reno Envy rent space to appropriate account			(1,800.00)	
5110-42 - Utilities	6,210.95	6,242.84		6,242.84
5115-42 - Freight and Shipping Costs	1,591.65	2,333.15		2,333.15
5140-42 - Repairs & Maintenance	1,641.97	1,478.45		1,478.45
5150-42 - Office - Cleaning	1,462.16	1,894.32		1,894.32
5320-42 - Telephone	3,188.45	3,679.59		3,679.59
5420-42 - Mail - USPS - Other	161.24	229.06		229.06
5470-42 - Mail - UPS	270.03	50.00		50.00
5480-42 - Mail - Fed Ex	166.19	471.69		471.69
5510-42 - Insurance/Bonding	1,798.46	1,723.31		1,723.31
5520-42 - Supplies	0.00	3,164.22		3,164.22
5521-42 - Supplies - Other	2,895.25	0.00		0.00
5525-42 - Supplies- Computer <\$1000	942.95	1,002.57		926.60
caje07 to reduce accrual for computers to				

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	Adjusted Balance Jun 30, 2016	Unadjusted Jun 30, 2017	Adjusting AJE	Adjusted Balance Jun 30, 2017
actual			(75.97)	
5530-42 - Visitor Communications - Other	109.00	(109.00)		(109.00)
5610-42 - Depreciation	801.47	1,037.57		1,037.57
5700-42 - Equipment Support & Maintenance	2,099.77	2,246.55		2,246.55
5710-42 - Taxes, Licenses & Fees	431.30	154.27		53.39
caje12 to record refund check for overpayment of property tax			(100.88)	
5740-42 - Equipment Rental/Leasing	5,538.61	5,088.62		5,088.62
5850-42 - Artist of Month - Commissions	0.00	2,453.21		2,453.21
5990-42 - POS Inventory Adjustments	(347.18)	1,327.33		1,327.33
6740-42 - Media/Collateral/Production	0.00	99.00		99.00
6742-42 - Non-NLT Co-Op Marketing Progr caje08 to reclassify Reno Envy rent space to appropriate account	7,021.86	0.00	1,800.00	1,800.00
8100-42 - Cost of Goods Sold - Other	40,897.36	47,154.79		47,154.79
8200-42 - Associate Relations	188.44	355.19		355.19
8500-42 - Credit Card Fees	2,270.62	2,734.80		2,734.80
8700-42 - Automobile Expenses	780.81	1,060.21		1,060.21
8750-42 - Meals/Meetings	133.84	1,000.55		1,000.55
8810-42 - Dues & Subscriptions	539.91	647.76		647.76
8910-42 - Travel	20.00	213.48		213.48
8930-42 - Prior Period Adjustments	(302.76)	0.00		0.00
8990-42 - Allocated caje10 to allocate admin expense after all audit adjustments	46,543.75	0.00	48,393.78	48,393.78
400 Visitor Info. Center Total	386,568.52	381,209.14	44,674.01	425,883.15
500 Infrastructure				
5000-50 - Salaries / Wages Other caje04 to reduce incentive accrual to actuals paid for FY 2016-17	75,173.55	86,020.76	(740.82)	85,279.94
5020-50 - P/R - Tax Expense	6,326.40	6,086.56		6,086.56
5030-50 - P/R - Health Insurance Expense	3,647.01	5,519.12		5,519.12
5040-50 - P/R - Workmans Comp caje14 to move funds to acct due back to county (due to a refund)	1,310.10	310.47	(201.00)	109.47
5060-50 - 401 (k)	3,142.59	3,181.90		3,181.90
5070-50 - Other Benefits and Expenses	166.02	95.03		95.03
5100-50 - Rent - Other	6,611.44	4,393.49		4,393.49
5110-50 - Utilities	510.54	336.88		336.88
5140-50 - Repairs & Maintenance	421.15	543.81		543.81
5150-50 - Office - Cleaning	570.43	453.89		453.89
5320-50 - Telephone	2,120.55	2,314.30		2,314.30
5420-50 - Mail - USPS - Other	61.92	140.96		140.96
5470-50 - Mail - UPS	270.03	50.00		50.00
5510-50 - Insurance/Bonding	215.80	206.77		206.77
5520-50 - Supplies	0.00	154.38		154.38
5521-50 - Supplies - Other	610.14	0.00		0.00
5525-50 - Supplies- Computer <\$1000	0.00	136.74		136.74
5610-50 - Depreciation	493.21	89.29		89.29
5700-50 - Equipment Support & Maintenance	403.92	296.50		296.50
5710-50 - Taxes, Licenses & Fees caje12 to record refund check for overpayment of property tax	83.89	94.93	(62.08)	32.85

North Lake Tahoe Resort Association
Grouping Schedule Report
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	Adjusted Balance Jun 30, 2016	Unadjusted Jun 30, 2017	Adjusting AJE	Adjusted Balance Jun 30, 2017
5740-50 - Equipment Rental/Leasing	1,425.79	1,321.06		1,321.06
5920-50 - Professional Fees - Accountant	7,500.00	0.00		0.00
5941-50 - Research & Planning	35,836.57	6,166.55		6,166.55
8200-50 - Associate Relations	120.68	0.00		0.00
8500-50 - Credit Card Fees	22.50	22.50		22.50
8700-50 - Automobile Expenses	1,421.28	598.90		598.90
8750-50 - Meals/Meetings	191.24	395.63		395.63
8810-50 - Dues & Subscriptions	0.00	13.50		13.50
8930-50 - Prior Period Adjustments	(2,035.00)	0.00		0.00
8990-50 - Allocated	51,198.13	0.00		53,233.16
caje10 to allocate admin expense after all audit adjustments			53,233.16	
500 Infrastructure Total	197,819.88	118,943.92	52,229.26	171,173.18
600 Membership				
5000-60 - Salaries / Wages Other	69,558.33	69,836.04		65,893.17
caje04 to reduce incentive accrual to actuals paid for FY 2016-17			(3,942.87)	
5001-60 - In-Market Administration	(14,500.00)	(16,500.00)		(16,500.00)
5020-60 - P/R - Tax Expense	7,145.62	5,891.86		5,891.86
5030-60 - P/R - Health Insurance Expense	13,119.34	9,583.07		9,745.15
caje11 to reclassify portion of principal insurance to the correct account/department			162.08	
5040-60 - P/R - Workmans Comp	1,179.08	362.26		127.76
caje14 to move funds to acct due back to county (due to a refund)			(234.50)	
5060-60 - 401 (k)	594.91	1,485.86		1,485.86
5070-60 - Other Benefits and Expenses	1,759.14	136.63		136.63
5100-60 - Rent - Other	6,952.54	8,568.61		8,568.61
5110-60 - Utilities	534.09	544.90		544.90
5115-60 - Freight and Shipping Costs	17.96	0.00		0.00
5140-60 - Repairs & Maintenance	421.15	563.97		563.97
5150-60 - Office - Cleaning	605.61	794.21		794.21
5200-60 - Bad debt expense	33,595.00	0.00		0.00
5320-60 - Telephone	3,001.19	2,847.26		2,847.26
5420-60 - Mail - USPS - Other	298.11	590.96		590.96
5470-60 - Mail - UPS	2,375.22	400.00		400.00
5510-60 - Insurance/Bonding	647.43	620.40		620.40
5520-60 - Supplies	0.00	1,139.52		1,139.52
5521-60 - Supplies - Other	1,320.51	0.00		0.00
5525-60 - Supplies- Computer <\$1000	85.30	621.22		621.22
5530-60 - Visitor Communications - Other	35.44	0.00		0.00
5610-60 - Depreciation	493.21	98.54		98.54
5700-60 - Equipment Support & Maintenance	454.87	1,243.47		1,243.47
5710-60 - Taxes, Licenses & Fees	83.89	95.93		33.85
caje12 to record refund check for overpayment of property tax			(62.08)	
5740-60 - Equipment Rental/Leasing	3,097.43	2,858.58		2,858.58
5800-60 - Training Seminars	2,141.20	892.11		892.11
6423-60 - Membership Activities - Other	16,263.64	7,335.24		7,335.24
6432-60 - Membership - Newsletter	4,503.41	2,001.24		2,001.24
6434-60 - Community Awards Dinner	16,414.45	21,651.45		21,651.45
6436-60 - Membership - Wnt/Sum Rec Luncl	64.83	996.71		996.71
6437-60 - Tuesday Morning Breakfast Club	4,964.00	6,088.50		6,088.50

North Lake Tahoe Resort Association
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	Adjusted Balance Jun 30, 2016	Unadjusted Jun 30, 2017	Adjusting AJE	Adjusted Balance Jun 30, 2017
6441-60 - Membership - Miscellaneous Exp	69.24	52.59		52.59
6442-60 - Public Relations/Website	3,920.50	81.00		81.00
6443-60 - Membership - Bridal Faire	3,269.86	75.63		75.63
6444-60 - Trades	0.00	1,190.00		1,190.00
6490-60 - Classified Ads	0.00	225.00		225.00
8200-60 - Associate Relations	462.38	0.00		0.00
8500-60 - Credit Card Fees	3,476.77	3,460.49		3,460.49
8700-60 - Automobile Expenses	533.94	907.22		907.22
8750-60 - Meals/Meetings	247.01	310.04		310.04
8810-60 - Dues & Subscriptions	2,210.88	1,945.94		1,945.94
8910-60 - Travel	1,131.62	0.00		0.00
8920-60 - Bad Debt	0.00	23,598.00		23,598.00
8990-60 - Allocated	41,889.37	0.00		43,554.40
caje10 to allocate admin expense after all audit adjustments			43,554.40	
600 Membership Total	234,438.47	162,594.45	39,477.03	202,071.48
700 Administration				
5000-70 - Salaries / Wages Other	245,425.20	291,651.35		285,765.68
caje04 to reduce incentive accrual to actuals paid for FY 2016-17			(11,549.34)	
caje20 to accrue incentive due to Al Priester			5,663.67	
5020-70 - P/R - Tax Expense	18,964.89	21,101.96		22,372.26
caje20 to accrue incentive due to Al Priester			1,270.30	
5030-70 - P/R - Health Insurance Expense	26,125.53	17,477.13		17,477.13
5040-70 - P/R - Workmans Comp	4,454.06	1,086.50		383.00
caje14 to move funds to acct due back to county (due to a refund)			(703.50)	
5060-70 - 401 (k)	8,306.77	4,230.56		4,230.56
5070-70 - Other Benefits and Expenses	880.06	743.69		743.69
5100-70 - Rent - Other	21,747.31	19,799.63		19,799.63
5110-70 - Utilities	1,752.00	1,226.19		1,226.19
5140-70 - Repairs & Maintenance	1,340.41	3,770.48		3,770.48
5150-70 - Office - Cleaning	1,659.95	1,824.25		1,824.25
5320-70 - Telephone	8,830.05	8,739.18		8,739.18
5420-70 - Mail - USPS - Other	160.35	776.98		776.98
5470-70 - Mail - UPS	1,621.80	250.00		250.00
5480-70 - Mail - Fed Ex	0.00	24.02		24.02
5510-70 - Insurance/Bonding	1,582.62	1,516.50		1,516.50
5520-70 - Supplies	0.00	5,232.53		5,232.53
5521-70 - Supplies - Other	6,647.70	0.00		0.00
5525-70 - Supplies- Computer <\$1000	1,377.54	1,873.29		1,841.39
caje07 to reduce accrual for computers to actual			(31.90)	
5610-70 - Depreciation	1,541.46	689.36		689.36
5700-70 - Equipment Support & Maintenance	3,938.64	5,732.94		5,732.94
5710-70 - Taxes, Licenses & Fees	8,110.33	8,243.90		8,049.90
caje12 to record refund check for overpayment of property tax			(194.00)	
5740-70 - Equipment Rental/Leasing	2,009.38	1,874.56		1,874.56
5800-70 - Training Seminars	100.00	2,199.00		2,199.00
5900-70 - Professional Fees	0.00	1,250.00		1,250.00

North Lake Tahoe Resort Association
Grouping Schedule Report
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	Adjusted Balance Jun 30, 2016	Unadjusted Jun 30, 2017	Adjusting AJE	Adjusted Balance Jun 30, 2017
5901-70 - Professional Fees - Other	312.50	0.00		0.00
5910-70 - Professional Fees - Attorneys	2,900.00	3,978.19		3,978.19
5920-70 - Professional Fees - Accountant	87,124.93	35,862.00		37,862.00
caje19 to record unrecorded tax expense & year end			2,000.00	
5921-70 - Professional Fees - Other	0.00	36,837.71		36,837.71
6421-70 - New Event Development	0.00	50.00		50.00
6423-70 - Membership Activities - Other	0.00	33.65		33.65
6490-70 - Classified Ads	15.00	0.00		0.00
6730-70 - Marketing Cooperative/Media	15.00	0.00		0.00
8200-70 - Associate Relations	2,351.22	3,604.84		3,604.84
8300-70 - Board Functions	4,542.24	2,612.86		2,612.86
8500-70 - Credit Card Fees	387.87	384.05		384.05
8700-70 - Automobile Expenses	1,015.32	295.38		295.38
8750-70 - Meals/Meetings	1,192.78	520.31		520.31
8810-70 - Dues & Subscriptions	1,491.82	1,989.62		1,989.62
8910-70 - Travel	2,305.52	0.00		0.00
8930-70 - Prior Period Adjustments	(4,792.74)	0.00		0.00
8990-70 - Allocated	(465,437.51)	0.00		(483,937.84)
caje10 to allocate admin expense after all audit adjustments			(483,937.84)	
700 Administration Total	<u>0.00</u>	<u>487,482.61</u>	<u>(487,482.61)</u>	<u>0.00</u>
Operating Expenses Total	<u>3,790,563.11</u>	<u>3,988,592.64</u>	<u>(25,957.64)</u>	<u>3,962,635.00</u>
Expense Total	<u>3,790,563.11</u>	<u>3,988,592.64</u>	<u>(25,957.64)</u>	<u>3,962,635.00</u>
Leadsheet codes Total	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
(Profit)/Loss	<u>33,438.55</u>	<u>(193,266.27)</u>	<u>211,306.79</u>	<u>18,040.52</u>

**North Lake Tahoe Resort Association
Grouping Schedule Report
Unassigned Accounts**

**The Following Accounts Have Not Been Assigned
To Any Schedule**

Account Number	Description	Adjusted Balance Jun 30, 2016	Unadjusted Jun 30, 2017	Adjusting AJE	Adjusted Balance Jun 30, 2017
1050-00	Beach Rental	0.00	0.00		0.00
1055-00	Marketing Cooperative Cash	0.00	0.00		0.00
1061-00	Cash - FSA Account	0.00	0.00		0.00
1073-00	UBS Cash	0.00	0.00		0.00
1077-00	Infrastructure Money Market	0.00	0.00		0.00
1079-00	Citizens Bank CDs	0.00	0.00		0.00
1210-99	AR Misc	0.00	0.00		0.00
1291-59	AR TOT Infrastructure County	0.00	0.00		0.00
1292-49	AR TOT Transp County Held	0.00	0.00		0.00
1293-59	AR TOT Infra Maintenance County	0.00	0.00		0.00
1295-99	Interest Receivable 10/11	0.00	0.00		0.00
1401-00	Recruitment Fees	0.00	0.00		0.00
1500-00	Suspense*	0.00	0.00		0.00
1850-00	Prepaid Rent - RTIA	0.00	0.00		0.00
2000-99	Accounts Payable 2010/11	0.00	0.00		0.00
2080-00	Bank of the West - Master Cards	0.00	0.00		0.00
2110-00	Direct Deposit Liabilities	0.00	0.00		0.00
2150-00	State Taxes Payable	0.00	0.00		0.00
2160-00	FUTA Taxes Payable	0.00	0.00		0.00
2170-00	FSA Payable	0.00	0.00		0.00
2176-00	401k Profit Sharing	0.00	0.00		0.00
2181-00	Health Benefits Payable	0.00	0.00		0.00
2200-20	Ski Ticket suspense	0.00	0.00		0.00
2300-00	Marketing Cooperative Liabili	0.00	0.00		0.00
2400-01	AFW Suspense Account	0.00	0.00		0.00
2400-42	Marketing Co-op	0.00	0.00		0.00
2401-00	NLT Beach Center	0.00	0.00		0.00
2600-00	Reserves	0.00	0.00		0.00
2652-00	Deferred Revenue - VIC	0.00	0.00		0.00
2700-00	Deferred Rev. County	0.00	0.00		0.00
2700-41	Deferred Support-Trans NLTRA	0.00	0.00		0.00
2700-50	Deferred Support - Infra County	0.00	0.00		0.00
2701-41	Deferred Support - Trans County	0.00	0.00		0.00
2701-50	Deferred Sup- Infra Maint. Res	0.00	0.00		0.00
2702-50	Deferred Support Infra NLTRA	0.00	0.00		0.00
3000-00	Opening Balance Equity	0.00	0.00		0.00
3010-00	Fund Balance - General	0.00	0.00		0.00
3010-11	Fund Balance - General -11	0.00	0.00		0.00
3010-20	Fund Balance - General -20	0.00	0.00		0.00
3010-30	Fund Balance - General -30	0.00	0.00		0.00
3010-41	Fund Balance - General -41	0.00	0.00		0.00
3010-42	Fund Balance - General -42	0.00	0.00		0.00
3010-50	Fund Balance - General -50	0.00	0.00		0.00
3010-60	Fund Balance - General -60	0.00	0.00		0.00
3010-70	Fund Balance - General -70	0.00	0.00		0.00
3100-11	Ski Marketing Reserve from STN	0.00	0.00		0.00
3100-50	Temp. Restricted Net Assets 5	0.00	0.00		0.00
3400-50	Designated Infra Maint Reserve	0.00	0.00		0.00
4050-00	County of Placer TOT Funding	0.00	0.00		0.00
4050-60	County of Placer TOT Funding	0.00	0.00		0.00
4200-00	Membership Dues	0.00	0.00		0.00
4200-11	Membership Dues	0.00	0.00		0.00

**North Lake Tahoe Resort Association
Grouping Schedule Report
Unassigned Accounts**

**The Following Accounts Have Not Been Assigned
To Any Schedule**

Account Number	Description	Adjusted Balance Jun 30, 2016	Unadjusted Jun 30, 2017	Adjusting AJE	Adjusted Balance Jun 30, 2017
4200-41	Membership Dues	0.00	0.00		0.00
4200-42	Membership Dues	0.00	0.00		0.00
4200-50	Membership Dues	0.00	0.00		0.00
4201-00	New Member Fees	0.00	0.00		0.00
4201-11	New Member Fees	0.00	0.00		0.00
4201-30	New Member Fees	0.00	0.00		0.00
4201-41	New Member Fees	0.00	0.00		0.00
4201-42	New Member Fees	0.00	0.00		0.00
4201-50	New Member Fees	0.00	0.00		0.00
4205-00	Conference Dues	0.00	0.00		0.00
4205-11	Conference Dues	0.00	0.00		0.00
4205-41	Conference Dues	0.00	0.00		0.00
4205-42	Conference Dues	0.00	0.00		0.00
4205-50	Conference Dues	0.00	0.00		0.00
4205-60	Conference Dues	0.00	0.00		0.00
4250-00	Revenues-Membership Activities	0.00	0.00		0.00
4250-01	Community Awards	0.00	0.00		0.00
4250-02	Tourism Summit	0.00	0.00		0.00
4250-03	Summer/Winter Rec Luncheon	0.00	0.00		0.00
4250-04	Silent Auction	0.00	0.00		0.00
4250-05	Sponsorships	0.00	0.00		0.00
4251-00	Revenue-Tue AM Breakfast Club	0.00	0.00		0.00
4252-00	Revenue - Sponsorships	0.00	0.00		0.00
4252-30	Revenue - Sponsorships	0.00	0.00		0.00
4252-41	Revenue - Sponsorships	0.00	0.00		0.00
4252-42	Revenue - Sponsorships	0.00	0.00		0.00
4252-50	Revenue - Sponsorships	0.00	0.00		0.00
4252-70	Revenue - Sponsorships	0.00	0.00		0.00
4502-00	Non-Retail VIC income	0.00	0.00		0.00
4502-30	Non-retail VIC income	0.00	0.00		0.00
4502-41	Non-retail VIC income	0.00	0.00		0.00
4502-50	Non-retail VIC income	0.00	0.00		0.00
4502-70	Non-retail VIC income	0.00	0.00		0.00
4600-00	Commissions	0.00	0.00		0.00
4600-41	Commissions	0.00	0.00		0.00
4600-42	Commissions	0.00	0.00		0.00
4600-50	Commissions	0.00	0.00		0.00
4600-60	Commissions	0.00	0.00		0.00
4600-70	Commissions	0.00	0.00		0.00
4601-00	Commissions - South Shore	0.00	0.00		0.00
4601-41	Commissions - South Shore	0.00	0.00		0.00
4601-42	Commissions - South Shore	0.00	0.00		0.00
4601-50	Commissions - South Shore	0.00	0.00		0.00
4601-60	Commissions - South Shore	0.00	0.00		0.00
4601-70	Commissions - South Shore	0.00	0.00		0.00
4602-30	Merchandise Sales	0.00	0.00		0.00
4602-41	Merchandise Sales	0.00	0.00		0.00
4602-50	Merchandise Sales	0.00	0.00		0.00
4602-60	Merchandise Sales	0.00	0.00		0.00
4602-70	Merchandise Sales	0.00	0.00		0.00
5000-00	Salaries & Wages	0.00	0.00		0.00
5000-01	In-Market Administration	0.00	0.00		0.00

**North Lake Tahoe Resort Association
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**The Following Accounts Have Not Been Assigned
To Any Schedule**

Account Number	Description	Adjusted Balance Jun 30, 2016	Unadjusted Jun 30, 2017	Adjusting AJE	Adjusted Balance Jun 30, 2017
5010-00	Sales Commissions	0.00	0.00		0.00
5010-11	Sales Commissions	0.00	0.00		0.00
5010-41	Sales Commissions	0.00	0.00		0.00
5010-42	Sales Commissions	0.00	0.00		0.00
5010-50	Sales Commissions	0.00	0.00		0.00
5010-60	Sales Commissions	0.00	0.00		0.00
5010-70	Sales Commissions	0.00	0.00		0.00
5020-00	P/R - Tax Expense	0.00	0.00		0.00
5030-00	P/R - Health Insurance Expense	0.00	0.00		0.00
5040-00	P/R - Workmans Comp	0.00	0.00		0.00
5060-00	401 (k)	0.00	0.00		0.00
5070-00	Other Benefits and Expenses	0.00	0.00		0.00
5100-00	Rent	0.00	0.00		0.00
5110-00	Utilities	0.00	0.00		0.00
5140-00	Repairs & Maintenance	0.00	0.00		0.00
5150-00	Office - Cleaning	0.00	0.00		0.00
5250-00	Purchase Discounts	0.00	0.00		0.00
5290-00	Purchases - Resale Items	0.00	0.00		0.00
5290-30	Purchases - Resale items	0.00	0.00		0.00
5290-41	Purchases - Resale items	0.00	0.00		0.00
5290-50	Purchases - Resale items	0.00	0.00		0.00
5290-60	Purchases - Resale items	0.00	0.00		0.00
5290-70	Purchases - Resale items	0.00	0.00		0.00
5320-00	Telephone	0.00	0.00		0.00
5350-00	Internet	0.00	0.00		0.00
5350-30	Internet	0.00	0.00		0.00
5350-41	Internet	0.00	0.00		0.00
5350-50	Internet	0.00	0.00		0.00
5350-60	Internet	0.00	0.00		0.00
5420-00	Mail - USPS	0.00	0.00		0.00
5470-00	Mail - UPS	0.00	0.00		0.00
5480-00	Mail - Fed Ex	0.00	0.00		0.00
5480-41	Mail - Fed Ex	0.00	0.00		0.00
5480-50	Mail - Fed Ex	0.00	0.00		0.00
5480-60	Mail - Fed Ex	0.00	0.00		0.00
5510-00	Insurance/Bonding	0.00	0.00		0.00
5520-00	Supplies	0.00	0.00		0.00
5525-00	Supplies- Computer <\$1000	0.00	0.00		0.00
5530-00	Visitor Communications - Other	0.00	0.00		0.00
5530-11	Visitor Communications - Other	0.00	0.00		0.00
5530-30	Visitor Communications - Other	0.00	0.00		0.00
5530-41	Visitor Communications - Other	0.00	0.00		0.00
5530-50	Visitor Communications - Other	0.00	0.00		0.00
5530-70	Visitor Communications - Other	0.00	0.00		0.00
5610-00	Depreciation	0.00	0.00		0.00
5700-00	Equipment Support & Maintenance	0.00	0.00		0.00
5710-00	Taxes, Licenses & Fees	0.00	0.00		0.00
5740-00	Equipment Rental/Leasing	0.00	0.00		0.00
5800-00	Training Seminars	0.00	0.00		0.00
5800-30	Training Seminars	0.00	0.00		0.00
5800-41	Training Seminars	0.00	0.00		0.00
5800-50	Training Seminars	0.00	0.00		0.00

**North Lake Tahoe Resort Association
Grouping Schedule Report
Unassigned Accounts**

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**The Following Accounts Have Not Been Assigned
To Any Schedule**

Account Number	Description	Adjusted Balance Jun 30, 2016	Unadjusted Jun 30, 2017	Adjusting AJE	Adjusted Balance Jun 30, 2017
5810-00	Public Outreach	0.00	0.00		0.00
5810-30	Public Outreach	0.00	0.00		0.00
5810-41	Public Outreach	0.00	0.00		0.00
5810-42	Public Outreach	0.00	0.00		0.00
5810-60	Public Outreach	0.00	0.00		0.00
5810-70	Public Outreach	0.00	0.00		0.00
5815-00	Training Video Series	0.00	0.00		0.00
5815-30	Training Video Series	0.00	0.00		0.00
5815-41	Training Video Series	0.00	0.00		0.00
5815-42	Training Video Series	0.00	0.00		0.00
5815-50	Training Video Series	0.00	0.00		0.00
5815-60	Training Video Series	0.00	0.00		0.00
5815-70	Training Video Series	0.00	0.00		0.00
5820-00	Sales CRM/CMS	0.00	0.00		0.00
5820-30	Sales CRM/CMS	0.00	0.00		0.00
5820-41	Sales CRM/CMS	0.00	0.00		0.00
5820-42	Sales CRM/CMS	0.00	0.00		0.00
5820-50	Sales CRM/CMS	0.00	0.00		0.00
5820-60	Sales CRM/CMS	0.00	0.00		0.00
5820-70	Sales CRM/CMS	0.00	0.00		0.00
5830-00	Commission Due to Third Party	0.00	0.00		0.00
5830-11	Commission Due to Third Party	0.00	0.00		0.00
5830-41	Commission Due to Third Party	0.00	0.00		0.00
5830-42	Commission Due to Third Party	0.00	0.00		0.00
5830-50	Commission Due to Third Party	0.00	0.00		0.00
5830-60	Commission Due to Third Party	0.00	0.00		0.00
5830-70	Commission Due to Third Party	0.00	0.00		0.00
5850-00	Artist of Month - Commissions	0.00	0.00		0.00
5850-11	Artist of Month - Commissions	0.00	0.00		0.00
5850-30	Artist of Month - Commissions	0.00	0.00		0.00
5850-41	Artist of Month - Commissions	0.00	0.00		0.00
5850-50	Artist of Month - Commissions	0.00	0.00		0.00
5850-60	Artist of Month - Commissions	0.00	0.00		0.00
5850-70	Artist of Month - Commissions	0.00	0.00		0.00
5900-00	Professional Fees	0.00	0.00		0.00
5900-30	Professional Fees	0.00	0.00		0.00
5900-41	Professional Fees	0.00	0.00		0.00
5900-42	Professional Fees	0.00	0.00		0.00
5900-50	Professional Fees	0.00	0.00		0.00
5900-60	Professional Fees	0.00	0.00		0.00
5910-00	Professional Fees - Attorneys	0.00	0.00		0.00
5910-11	Professional Fees - Attorneys	0.00	0.00		0.00
5910-30	Professional Fees - Attorneys	0.00	0.00		0.00
5910-41	Professional Fees - Attorneys	0.00	0.00		0.00
5910-42	Professional Fees - Attorneys	0.00	0.00		0.00
5910-50	Professional Fees - Attorneys	0.00	0.00		0.00
5910-60	Professional Fees - Attorneys	0.00	0.00		0.00
5920-00	Professional Fees - Accountant	0.00	0.00		0.00
5920-30	Professional Fees - Accountant	0.00	0.00		0.00
5920-41	Professional Fees - Accountant	0.00	0.00		0.00
5920-42	Professional Fees - Accountant	0.00	0.00		0.00
5920-60	Professional Fees - Accountant	0.00	0.00		0.00

**North Lake Tahoe Resort Association
Grouping Schedule Report
Unassigned Accounts**

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**The Following Accounts Have Not Been Assigned
To Any Schedule**

Account Number	Description	Adjusted Balance Jun 30, 2016	Unadjusted Jun 30, 2017	Adjusting AJE	Adjusted Balance Jun 30, 2017
5921-00	Professional Fees - Other	0.00	0.00		0.00
5921-11	Professional Fees - Other	0.00	0.00		0.00
5921-30	Professional Fees - Other	0.00	0.00		0.00
5921-41	Professional Fees - Other	0.00	0.00		0.00
5921-42	Professional Fees - Other	0.00	0.00		0.00
5921-50	Professional Fees - Other	0.00	0.00		0.00
5921-60	Professional Fees - Other	0.00	0.00		0.00
5940-00	Research & Planning Membership	0.00	0.00		0.00
5940-11	Research & Planning Membership	0.00	0.00		0.00
5940-30	Research & Planning Membership	0.00	0.00		0.00
5940-42	Research & Planning Membership	0.00	0.00		0.00
5940-50	Research & Planning Membership	0.00	0.00		0.00
5940-60	Research & Planning Membership	0.00	0.00		0.00
5940-70	Research & Planning Membership	0.00	0.00		0.00
5941-00	Research & Planning	0.00	0.00		0.00
5941-30	Research & Planning	0.00	0.00		0.00
5941-42	Research & Planning	0.00	0.00		0.00
5941-60	Research & Planning	0.00	0.00		0.00
5941-70	Research & Planning	0.00	0.00		0.00
5948-00	Transportation Projects	0.00	0.00		0.00
5948-11	Transportation Projects	0.00	0.00		0.00
5948-30	Transportation Projects	0.00	0.00		0.00
5948-42	Transportation Projects	0.00	0.00		0.00
5948-50	Transportation Projects	0.00	0.00		0.00
5948-60	Transportation Projects	0.00	0.00		0.00
5948-70	Transportation Projects	0.00	0.00		0.00
5953-00	Summer Traffic Management (S-2)	0.00	0.00		0.00
5953-11	Summer Traffic Management (S-2)	0.00	0.00		0.00
5953-30	Summer Traffic Management (S-2)	0.00	0.00		0.00
5953-42	Summer Traffic Management (S-2)	0.00	0.00		0.00
5953-50	Summer Traffic Management (S-2)	0.00	0.00		0.00
5953-60	Summer Traffic Management (S-2)	0.00	0.00		0.00
5953-70	Summer Traffic Management (S-2)	0.00	0.00		0.00
5990-00	POS Inventory Adjustments	0.00	0.00		0.00
6015-00	Cross Country	0.00	0.00		0.00
6016-00	Special Event Partnership	0.00	0.00		0.00
6016-30	Special Event Partnership	0.00	0.00		0.00
6016-41	Special Event Partnership	0.00	0.00		0.00
6016-42	Special Event Partnership	0.00	0.00		0.00
6016-50	Special Event Partnership	0.00	0.00		0.00
6016-60	Special Event Partnership	0.00	0.00		0.00
6016-70	Special Event Partnership	0.00	0.00		0.00
6018-00	Business Assoc. Grants	0.00	0.00		0.00
6018-30	Business Assoc. Grants	0.00	0.00		0.00
6018-41	Business Assoc. Grants	0.00	0.00		0.00
6018-42	Business Assoc. Grants	0.00	0.00		0.00
6018-50	Business Assoc. Grants	0.00	0.00		0.00
6018-60	Business Assoc. Grants	0.00	0.00		0.00
6018-70	Business Assoc. Grants	0.00	0.00		0.00
6424-00	Event Operation Expenses	0.00	0.00		0.00
6426-00	Dues & Subscriptions	0.00	0.00		0.00
6436-00	Membership - Wnt/Sum Rec Lunch	0.00	0.00		0.00

**North Lake Tahoe Resort Association
Grouping Schedule Report
Unassigned Accounts**

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**The Following Accounts Have Not Been Assigned
To Any Schedule**

Account Number	Description	Adjusted Balance Jun 30, 2016	Unadjusted Jun 30, 2017	Adjusting AJE	Adjusted Balance Jun 30, 2017
6437-00	Tuesday Morning Breakfast Club	0.00	0.00		0.00
6441-00	Membership - Miscellaneous Exp	0.00	0.00		0.00
6442-00	Public Relations/Website	0.00	0.00		0.00
6443-00	Membership - Bridal Faire	0.00	0.00		0.00
6444-00	Trades	0.00	0.00		0.00
6490-00	Classified Ads	0.00	0.00		0.00
6600-00	Promotions/Giveaways	0.00	0.00		0.00
6701-00	Market Study Reports/Research	0.00	0.00		0.00
6730-00	Marketing Cooperative/Media	0.00	0.00		0.00
6740-00	Media/Collateral/Production	0.00	0.00		0.00
6740-11	Media/Collateral/Production	0.00	0.00		0.00
6742-00	Non-NLT Co-Op Marketing Program	0.00	0.00		0.00
7500-00	Trade Shows/Travel	0.00	0.00		0.00
8100-00	Cost of Goods Sold	0.00	0.00		0.00
8200-00	Associate Relations	0.00	0.00		0.00
8300-00	Board Functions	0.00	0.00		0.00
8300-11	Board Functions	0.00	0.00		0.00
8300-30	Board Functions	0.00	0.00		0.00
8300-41	Board Functions	0.00	0.00		0.00
8300-42	Board Functions	0.00	0.00		0.00
8300-50	Board Functions	0.00	0.00		0.00
8300-60	Board Functions	0.00	0.00		0.00
8500-00	Credit Card Fees	0.00	0.00		0.00
8700-00	Automobile Expenses	0.00	0.00		0.00
8750-00	Meals/Meetings	0.00	0.00		0.00
8810-00	Dues & Subscriptions	0.00	0.00		0.00
8910-00	Travel	0.00	0.00		0.00
8910-30	Travel	0.00	0.00		0.00
8910-41	Travel	0.00	0.00		0.00
8910-50	Travel	0.00	0.00		0.00
8920-00	Bad Debt	0.00	0.00		0.00
8920-11	Bad Debt	0.00	0.00		0.00
8920-30	Bad Debt	0.00	0.00		0.00
8920-41	Bad Debt	0.00	0.00		0.00
8920-42	Bad Debt	0.00	0.00		0.00
8920-50	Bad Debt	0.00	0.00		0.00
8920-70	Bad Debt	0.00	0.00		0.00
8990-00	Allocated	0.00	0.00		0.00

**North Lake Tahoe Resort Association
Adjusting Journal Entries**

Prepared by _____

Reviewed by _____

Reference	Type	Date Account Number	Description	Debit	Credit	Net Income Effect	Workpaper	Misstatement
1	Adjusting	06/30/17						
		2000-00	Accounts Payable	9,263.83				
		1400-00	Prepaid Expenses		9,263.83			
			to reverse accrual of prepaid that wasnt paid in CY			0.00	L-10	
2	Adjusting	06/30/17						
		2400-60	Deferred Revenue- Member	14,855.00				
		1201-00	WebLink Accounts Receiva		14,855.00			
			to reverse accrual of deferred and AR			0.00	B-10	
3	Adjusting	06/30/17						
		2900-00	Due To/From County of Pla		51,009.45			
		4050-41	County of Placer TOT Fund	17,176.00				
		4050-50	County of Placer TOT Fund	33,833.45				
			to record funds not spent payable back to county (r&p)			(51,009.45)	PL-15	

Prepared by _____

North Lake Tahoe Resort Association Adjusting Journal Entries

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Reviewed by _____

Reference	Type	Date Account Number	Description	Debit	Credit	Net Income Effect	Workpaper	Misstatement
4	Adjusting	06/30/17						
		2000-00	Accounts Payable	5,000.00				
		6421-14	Tahoe Trail 100		5,000.00			
			to reverse accrual of Tahoe Trail event that occurred in 2017/18			5,000.00	AA-20	
5	Adjusting	06/30/17						
		4050-11	County of Placer TOT Fund	62,743.76				
		4050-30	County of Placer TOT Fund	20,160.88				
		4050-42	County of Placer TOT Fund	24,135.72				
		4050-41	County of Placer TOT Fund	33,591.64				
		4050-50	County of Placer TOT Fund	20,246.28				
		2900-00	Due To/From County of Pla		160,878.28			
			to true up Placer revenue based on unused funds			(160,878.28)	PL-25	
6	Adjusting	06/30/17						
		3200-00	Unrestricted Net Assets	2,523.70				
		3300-11	Designated Marketing Reser		2,523.70			
			to increase designated marketing reserve to 10% of 3 year average mkt expenditures			0.00	TT-10	

**North Lake Tahoe Resort Association
Adjusting Journal Entries**

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Prepared by _____

Reviewed by _____

Reference	Type	Date Account Number	Description	Debit	Credit	Net Income Effect	Workpaper	Misstatement
7	Adjusting	06/30/17						
		4050-11	County of Placer TOT Fund	33,498.74				
		4050-41	County of Placer TOT Fund	1,436.31				
		2900-00	Due To/From County of Pla		34,935.05			
		4050-50	County of Placer TOT Fund		2,688.91			
		2900-00	Due To/From County of Pla	2,688.91				
						(32,246.14)		
			to reduce revenues by unspent contract dollars				FS	
8	Adjusting	06/30/17						
		1741-00	Accum. Depr. - Computer E	35,330.53				
		1740-00	Computer Equipment		35,330.53			
		1751-00	Accum. Amort. - Software	18,559.60				
		1750-00	Computer Software		18,559.60			
						0.00		
			to record fixed asset disposals				UV-20	
caje01	Adjusting	06/30/17						
		3200-00	Unrestricted Net Assets	48.23				
		3301-00	Cash Flow Reserve		48.23			
		3300-11	Designated Marketing Reser	18.09				
		3302-00	Marketing Cash Reserve		18.09			
						0.00		
			to adjust fund balances to agree to PY financials				CAJEs	

Prepared by _____

**North Lake Tahoe Resort Association
Adjusting Journal Entries**

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Reviewed by _____

Reference	Type	Date Account Number	Description	Debit	Credit	Net Income Effect	Workpaper	Misstatement
caje02	Adjusting	06/30/17						
		3302-00	Marketing Cash Reserve	75.08				
		4702-00	Interest Income - MKT Re:		75.08			
		3301-00	Cash Flow Reserve	200.29				
		4701-00	Interest Income - CF Reserv		200.29			
						275.37		
			to reclassify revenue out of fund accounts				CAJE	
caje03	Adjusting	06/30/17						
		1200-00	Quickbooks Accounts Recei	1,045.87				
		4600-30	Commissions		1,045.87			
						1,045.87		
			to adjust commission revenue				CAJE	
caje04	Adjusting	06/30/17						
		2101-00	Incentive Payable	24,552.31				
		5000-11	Salaries / Wages Other		4,079.68			
		5000-30	Salaries / Wages Other		461.48			
		5000-41	Salaries / Wages Other		740.82			
		5000-42	Salaries / Wages Other		3,037.30			
		5000-50	Salaries / Wages Other		740.82			
		5000-60	Salaries / Wages Other		3,942.87			
		5000-70	Salaries / Wages Other		11,549.34			
						24,552.31		
			to reduce incentive accrual to actuals paid for FY 2016-17				CAJE	

Prepared by _____

**North Lake Tahoe Resort Association
Adjusting Journal Entries**

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Reviewed by _____

Reference	Type	Date Account Number	Description	Debit	Credit	Net Income Effect	Workpaper	Misstatement
caje05	Adjusting	06/30/17						
		1200-99	AR Other	15.64				
		5070-11	Other Benefits and Expense		15.64			
			to move JT's Lifelock to the correct account			15.64	CAJE	
caje06	Adjusting	06/30/17						
		6016-11	Special Event Partnership	4,000.00				
		2250-00	Accrued Expenses		4,000.00			
			to accrue grant for Squaw Valley Half Marathon on 6/11/17			(4,000.00)	CAJE	
caje07	Adjusting	06/30/17						
		2250-00	Accrued Expenses	107.87				
		5525-70	Supplies- Computer <\$1000		31.90			
		5525-42	Supplies- Computer <\$1000		75.97			
			to reduce accrual for computers to actual			107.87	CAJE	

Prepared by _____

**North Lake Tahoe Resort Association
Adjusting Journal Entries**

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Reviewed by _____

Reference	Type	Date Account Number	Description	Debit	Credit	Net Income Effect	Workpaper	Misstatement
caje08	Adjusting	06/30/17						
		5100-42	Rent - Other		1,800.00			
		6742-42	Non-NLT Co-Op Marketing	1,800.00				
			to reclassify Reno Envy rent space to appropriate account			0.00	CAJE	
caje09	Adjusting	06/30/17						
		5941-41	Research & Planning	14,940.00				
		2250-00	Accrued Expenses		14,940.00			
			to accrue expense in proper period			(14,940.00)	CAJE	
caje10	Adjusting	06/30/17						
		8990-70	Allocated		483,937.84			
		8990-11	Allocated	232,290.16				
		8990-30	Allocated	53,233.17				
		8990-41	Allocated	53,233.17				
		8990-42	Allocated	48,393.78				
		8990-50	Allocated	53,233.16				
		8990-60	Allocated	43,554.40				
			to allocate admin expense after all audit adjustments			0.00	CAJE	

**North Lake Tahoe Resort Association
Adjusting Journal Entries**

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Prepared by _____

Reviewed by _____

Reference	Type	Date Account Number	Description	Debit	Credit	Net Income Effect	Workpaper	Misstatement
caje11	Adjusting	06/30/17						
		5030-11	P/R - Health Insurance Expe	4.00				
		5030-42	P/R - Health Insurance Expe	130.88				
		5030-60	P/R - Health Insurance Expe	162.08				
		2800-00	Suspense		296.96			
						(296.96)		
			to reclassify portion of principal insurance to the correct account/departments					
caje12	Adjusting	06/30/17						
		2800-00	Suspense	776.00				
		5710-11	Taxes, Licenses & Fees		194.00			
		5710-30	Taxes, Licenses & Fees		100.88			
		5710-41	Taxes, Licenses & Fees		62.08			
		5710-42	Taxes, Licenses & Fees		100.88			
		5710-50	Taxes, Licenses & Fees		62.08			
		5710-60	Taxes, Licenses & Fees		62.08			
		5710-70	Taxes, Licenses & Fees		194.00			
						776.00		
			to record refund check for overpayment of property tax				CAJE.	
caje13	Adjusting	06/30/17						
		5953-41	Summer Traffic Managemen	1,593.65				
		3200-00	Unrestricted Net Assets		1,593.65			
						(1,593.65)		

**North Lake Tahoe Resort Association
Adjusting Journal Entries**

Prepared by _____

Reviewed by _____

Reference	Type	Date Account Number	Description	Debit	Credit	Net Income Effect	Workpaper	Misstatement
			to record PY CHP refund in the proper period				CAJE	
caje14	Adjusting	06/30/17						
		6746-11	High Notes		8,015.00			
		5040-11	P/R - Workmans Comp		804.00			
		5040-30	P/R - Workmans Comp		569.50			
		5040-41	P/R - Workmans Comp		201.00			
		5040-42	P/R - Workmans Comp		636.50			
		5040-50	P/R - Workmans Comp		201.00			
		5040-60	P/R - Workmans Comp		234.50			
		5040-70	P/R - Workmans Comp		703.50			
		6742-11	Non-NLT Co-Op Marketing		1,795.00			
		2900-00	Due To/From County of Pla	13,160.00				
						13,160.00		
			to move funds to acct due back to county (due to a refund)				CAJE	
caje15	Adjusting	06/30/17						
		1400-00	Prepaid Expenses	7,125.00				
		6742-11	Non-NLT Co-Op Marketing		7,125.00			
						7,125.00		
			to remove from expense to prepaid to be amortized over the period 7/1/17-12/31/19				CAJE	

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**North Lake Tahoe Resort Association
Adjusting Journal Entries**

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Reviewed by _____

Reference	Type	Date Account Number	Description	Debit	Credit	Net Income Effect	Workpaper	Misstatement
caje16	Adjusting	06/30/17						
		4600-30	Commissions	2,555.00				
		4600-30	Commissions	2,430.40				
		5830-30	Commission Due to Third P		2,555.00			
		5830-30	Commission Due to Third P		2,430.40			
						0.00		
			to adjust commission revenue				CAJE	
caje17	Adjusting	06/30/17						
		4600-30	Commissions	1,837.40				
		1200-00	Quickbooks Accounts Recei		1,837.40			
						(1,837.40)		
			to reverse duplicate commissions recorded				CAJE	
caje18	Adjusting	06/30/17						
		3200-00	Unrestricted Net Assets	12,371.00				
		4050-11	County of Placer TOT Fund		12,371.00			
						12,371.00		
			to record additional revenue per the 6th amendment				CAJE	

Prepared by _____

**North Lake Tahoe Resort Association
Adjusting Journal Entries**

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Reviewed by _____

Reference	Type	Date Account Number	Description	Debit	Credit	Net Income Effect	Workpaper	Misstatement
caje19	Adjusting	06/30/17						
		5920-70	Professional Fees - Account	2,000.00				
		2000-00	Accounts Payable		2,000.00			
			to record unrecorded tax expense at year end			(2,000.00)	CAJE	
caje20	Adjusting	06/30/17						
		5020-70	P/R - Tax Expense	1,270.30				
		5000-70	Salaries / Wages Other	5,663.67				
		2101-00	Incentive Payable		6,933.97			
			to accrue incentive due to Al Priester			(6,933.97)	CAJE	
		TOTAL		<u>916,864.95</u>	<u>916,864.95</u>	<u>(211,306.79)</u>		

NORTH LAKE TAHOE RESORT ASSOCIATION, INC.

Tahoe City, California

FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITORS' REPORT

June 30, 2017 and 2016

DRAFT

NORTH LAKE TAHOE RESORT ASSOCIATION, INC.

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NOTES TO FINANCIAL STATEMENTS	6-10

DRAFT

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
North Lake Tahoe Resort Association, Inc.

We have audited the accompanying financial statements of North Lake Tahoe Resort Association, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2017 and 2016, and the related statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of North Lake Tahoe Resort Association, Inc. as of June 30, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

McCLINTOCK ACCOUNTANCY CORPORATION
Tahoe City, California
November 14, 2017

DRAFT

NORTH LAKE TAHOE RESORT ASSOCIATION, INC.

Exhibit A

STATEMENTS OF FINANCIAL POSITION

June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 949,616	\$ 626,330
Restricted TOT cash reserve (Note 6)	100,249	100,048
Accounts receivable, net of allowance for doubtful accounts of \$3,343 and \$36,595 in 2017 and 2016	29,564	110,926
Prepaid expenses	14,799	8,876
Inventories	31,787	32,408
	<u>1,126,015</u>	<u>878,588</u>
Noncurrent Assets:		
Property and equipment, net of accumulated depreciation (Note 7)	5,586	2,964
	<u>5,586</u>	<u>2,964</u>
Total Assets	<u>\$ 1,131,601</u>	<u>\$ 881,552</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Current Liabilities:		
Accounts payable	\$ 225,507	\$ 182,993
Placer County payable	231,039	23,941
Accrued liabilities	224,477	171,526
Deferred revenue - membership dues	52,435	69,550
Total Liabilities (all current)	<u>733,458</u>	<u>448,010</u>
NET ASSETS (Note 2)		
Unrestricted		
Invested in property and equipment	5,586	2,964
Designated marketing reserve (Note 3)	306,848	304,324
Undesignated	(14,540)	26,206
Total Unrestricted	<u>297,894</u>	<u>333,494</u>
Temporarily Restricted (Note 6)	100,249	100,048
Total Net Assets	<u>398,143</u>	<u>433,542</u>
Total Liabilities and Net Assets	<u>\$ 1,131,601</u>	<u>\$ 881,552</u>

The accompanying notes are an integral part of these statements.

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NORTH LAKE TAHOE RESORT ASSOCIATION, INC.

Exhibit B

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

For the Years Ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
CHANGES IN NET ASSETS:		
Revenue and other support:		
Placer County grant revenue	\$ 3,373,049	\$ 3,041,943
Placer County infrastructure grant revenue	171,173	197,820
Commissions and booking fees	109,912	188,358
Member dues	146,839	135,527
Member services and special events	44,892	114,546
Retail sales and other	98,454	78,865
Interest income	275	66
Total revenue and other support	<u>3,944,594</u>	<u>3,757,125</u>
Expenses and losses:		
Program services:		
Marketing	2,311,532	2,154,120
Group sales and conferences	354,440	340,228
Visitor support and transportation	158,779	151,582
Visitor information	377,489	340,025
North Lake Tahoe Chamber of Commerce	158,516	192,549
Infrastructure	117,940	146,622
	<u>3,478,696</u>	<u>3,325,126</u>
Supporting services:		
General and administrative	483,938	465,439
Total expenses	<u>3,962,634</u>	<u>3,790,565</u>
Decrease in Net Assets	(18,040)	(33,440)
NET ASSETS		
Net assets distributed to Placer County	<u>(17,359)</u>	<u>(564,037)</u>
Beginning of Year	<u>433,542</u>	<u>1,031,019</u>
End of Year	<u>\$ 398,143</u>	<u>\$ 433,542</u>

The accompanying notes are an integral part of these statements.

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NORTH LAKE TAHOE RESORT ASSOCIATION, INC.

Exhibit C

STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Decrease in unrestricted net assets	\$ (18,040)	\$ (33,441)
Reconciliation of change in net assets to cash (used) provided by operating activities		
Depreciation	2,464	6,164
Changes in operating assets and liabilities:		
Accounts receivable	81,361	(19,779)
Placer County receivable/payable	207,099	629,050
Prepaid expenses	(5,923)	114,373
Inventories	621	(2,898)
Accounts payable	42,514	70,347
Accrued liabilities	52,951	(1,385)
Deferred revenue - membership dues	(17,115)	10,319
Deferred revenue - other	-0-	(14,760)
Net Cash Provided by Operating Activities	<u>345,932</u>	<u>757,990</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	<u>(5,086)</u>	<u>(1,120)</u>
Net Cash Used by Investing Activities	<u>(5,086)</u>	<u>(1,120)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net assets distributed to Placer County	<u>(17,359)</u>	<u>(564,037)</u>
	<u>(17,359)</u>	<u>(564,037)</u>
Net Increase in Cash and Cash Equivalents	323,487	192,833
Cash and Cash Equivalents, Beginning of Year	<u>726,378</u>	<u>533,545</u>
Cash and Cash Equivalents, End of Year	<u>\$ 1,049,865</u>	<u>\$ 726,378</u>
Cash and Cash Equivalent Analysis:		
Cash and cash equivalents	\$ 949,616	\$ 626,330
Restricted TOT cash reserve	<u>100,249</u>	<u>100,048</u>
Net Cash and Cash Equivalents	<u>\$ 1,049,865</u>	<u>\$ 726,378</u>

The accompanying notes are an integral part of these statements.

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NORTH LAKE TAHOE RESORT ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2017 and 2016

1. Form of Organization

North Lake Tahoe Resort Association, Inc. (the "Association") was incorporated in the State of California in 1996, upon consolidation of the Tahoe North Visitors and Convention Bureau and the North Lake Tahoe Chamber of Commerce. The Association is organized under Section 501(c)(4) of the Internal Revenue Code as a non-profit public benefit corporation.

The primary function of the Association is to promote tourism and benefit business through efforts that enhance the economic, environmental, recreation and cultural climate of the North Lake Tahoe, California area. The Association provides the following services to its members and the North Lake Tahoe community: Chamber of Commerce, Visitors and Convention Bureau, marketing, conference sales and membership services. The Association also serves as a partner with Placer County in the development and funding of infrastructure and transportation projects designed to enhance tourism and community quality of life for the benefit of all in the North Lake Tahoe region.

The majority of the Association's revenue is derived from contract grants with Placer County to administer and invest portions of transient occupancy taxes collected in the North Lake Tahoe area. Additional sources of revenue are derived from membership dues, commissions and booking fees earned from conference sales, special events, and from the sale of inventory items at its visitor centers.

2. Summary of Significant Accounting Policies

Basis of Accounting and Financial Statement Presentation

The financial statements of the Association have been prepared on the accrual basis of accounting. Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in ASC 958, "*Financial Statements of Not-for-Profit Organizations*." Under ASC 958, the Association reports information regarding its financial position and activities according to three classes of net assets: Unrestricted net assets, temporarily restricted net assets (if any) and permanently restricted net assets (if any). At June 30, 2017 and 2016, there were no temporarily restricted or permanently restricted net assets, as the Association has not received these types of contributions.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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 could differ from those estimates.

Recognition of Placer County Contract Grant Revenue

The Association's contract with Placer County is considered to be an exchange transaction. Therefore, revenues received from this contract are reported as unrestricted support.

NORTH LAKE TAHOE RESORT ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2017 and 2016

Placer County contract grant revenues are recognized as revenue during the contract year, unless specifically restricted by the contract.

Liquidity Information

In order to provide information about liquidity, assets have been sequenced according to their nearness to conversion to cash and liabilities have been sequenced according to the nearness of their maturity and resulting use of cash.

Accounts Receivable

Accounts receivable consists of amounts due from members for membership dues, cooperative advertising costs, and commissions from group conference sales, as well as other miscellaneous receivables for services provided. The Association does not charge interest on delinquent receivables. Accounts are written off directly to bad debt expense when all attempts at collection are exhausted.

Inventories

Inventories are primarily for the sale of retail goods at the visitor centers and are stated at the lower of cost or market. Cost is determined by the first-in, first-out method.

Property, Buildings and Equipment

In general, property and equipment are capitalized on the Association's books and stated at cost when the asset has over a year of life and costs of over \$1,000. Depreciation is computed on the straight-line basis over the useful lives of the assets, which range from 3 to 7 years.

Marketing Cooperative Agreement

During the year ended June 30, 2007, the Association established the North Lake Tahoe Marketing Cooperative (NLTMC) with Lake Tahoe Incline Village Crystal Bay Visitors and Convention Bureau (IVCBVCB) to cooperatively promote tourism based on shared objectives which are more effectively and efficiently accomplished collectively rather than independently. Under the terms of the agreement, the Association and the IVCBVCB are required to make annual contributions to fund marketing efforts based upon an approved pre-set formula. The Association contributed \$1,277,371 and \$1,089,500 for the years ended June 30, 2017 and 2016, respectively in connection with this marketing effort, which is included in marketing (tourism promotion) and group sales and conference expense in the statement of activities and changes in net assets. The Marketing Cooperative activities and balances are reported separately from those of the Association.

Unrestricted Net Assets

All net asset balances are classified as unrestricted, excluding the restricted cash flow reserve at Note 6. Net assets are not subject to imposed restriction or restrictions that have expired. As reflected in the accompanying notes, the Association has designated a portion of unrestricted net assets for specific purposes.

NORTH LAKE TAHOE RESORT ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2017 and 2016

Advertising Costs

Advertising costs are expensed as incurred.

Income Tax Status

The Association is exempt from federal income taxes under the provisions of Internal Revenue Code Section 501(c) (4), and section 23701(f) for California purposes. Unrelated business income, if any, is taxed at regular corporate tax rates.

The Association's three previous federal tax returns and four previous state tax returns are available for examination by the taxing authorities.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a function basis in the statement of activities. Accordingly, certain costs, other than general and administrative costs, have been allocated among the program and supporting services benefited.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Association considers all unrestricted cash, money market funds, and debt securities with an original maturity less than three months to be cash equivalents.

Fair Value

The carrying amount of financial instruments, including cash, accounts receivable and accounts payable approximates their fair value due to the short term maturities of these instruments.

3. Designated Net Assets

Pursuant to its contract with Placer County, the Association created a visitor support and transportation fund which designates net assets from visitor support and transportation result of activities annually. The designated visitor support and transportation net assets totaled \$-0- at June 30, 2017 and 2016. During 2016, the Association remitted to Placer County the balance of the designated visitor support and transportation net asset balance. The payments were requested by Placer County and approved by the Association's board of directors.

The Association created a marketing reserve, pursuant to the 2003-04 contract with Placer County, to be used for expenditures in key areas due to any unforeseen adverse fluctuations in collections of transit occupancy taxes. The details in the use of the reserves can be decided solely at the discretion of the Association's board of directors subject to compliance with an existing policy of maintaining the reserve level at 10% of a three year average of annual marketing, conference and visitor information center expenditures. The designated marketing reserve totaled \$306,848 and \$304,324 at June 30, 2017 and 2016 respectively.

NORTH LAKE TAHOE RESORT ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2017 and 2016

4. Concentration of Credit Risk

The Association maintains its cash accounts at a local bank. At June 30, 2017 and 2016, the aggregate balance of these accounts exceeded the federally insured (FDIC) limits by \$762,613 and \$229,613 respectively.

5. Concentration of Revenue

Support from Placer County in the form of contract grants contributed to 90% and 86% of the Association's total revenues and support for the years ended June 30, 2017 and 2016, respectively. The Association's contract with Placer County is renewed annually. At June 30, 2017 and 2016, the Association owed Placer County \$231,039 and \$23,941, respectively.

6. Restricted Cash and Investments

Restrictions on Association cash and investment balances at June 30, 2017 and 2016, consist of the following:

	2017	2016
TOT cash reserve	\$ 100,249	\$ 100,048
	<u>\$ 100,249</u>	<u>\$ 100,048</u>

The restricted transient Occupancy tax (TOT) cash reserve is comprised of previous years' TOT fund balance of \$100,000. The policy restricts use of these assets to only those that achieve public benefit, as agreed to by contract between Placer County and the Association. Expenditure shall only occur following approval by the Association Board of Directors and approval by the Placer County Executive Office.

7. Property and Equipment

Property and equipment at June 30, 2017 and 2016, consists of the following:

	2017	2016
Furniture and fixtures	\$ 68,768	\$ 68,768
Computer equipment	8,436	43,766
Computer software	21,520	34,995
Leasehold improvements	24,284	24,284
	<u>123,008</u>	<u>171,813</u>
Less accumulated depreciation	(117,422)	(168,849)
Net property and equipment	<u>\$ 5,586</u>	<u>\$ 2,964</u>

NORTH LAKE TAHOE RESORT ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2017 and 2016

Depreciation expense was \$2,464 and \$6,164 for the years ended June 30, 2017 and 2016 respectively.

8. Operating Leases

The Association leases various facilities and equipment from others under non-cancellable operating leases expiring in May, 2022. Lease rent expense, including real property taxes and common area costs, was \$148,032 in 2017 and \$140,716 in 2016. Minimum lease payments are subject to escalation clauses and options to renew. At June 30, 2017, future minimum lease payments under such leases to the end of the contract are as follows:

<u>Year Ending June 30</u>	
2018	\$ 114,000
2019	114,000
2020	114,000
2021	114,000
2022	95,000
Total	<u>\$ 551,000</u>

9. Retirement Plan

The Association offers a 401(k) retirement plan to all full-time employees who have completed at least three months of service. The Association matches participant contributions of up to 4% to the plan based on up to 6% of the participant's regular salary. Contributions to the plan by the Association were approximately \$34,643 and \$35,995 for the years ended June 30, 2017 and 2016, respectively.

10. Subsequent Events

Subsequent events have been evaluated by management through, November 14, 2017, the date that the statements were available for issuance.

Before the Board of Supervisors County of Placer, State of California

In the matter of:

A RESOLUTION ESTABLISHING THE CAPITAL PROJECTS ADVISORY COMMITTEE TO RECOMMEND VISITOR SERVING CAPITAL PROJECTS IN EASTERN PLACER COUNTY TO THE BOARD OF SUPERVISORS FUNDED WITH TRANSIENT OCCUPANCY TAX GENERATED IN THE NORTH LAKE TAHOE COLLECTION AREA.

Resolution No.: _____

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held December 12, 2017, by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chair, Board of Supervisors

Attest:

Clerk of said Board

WHEREAS, a Transient Occupancy Tax is collected on occupancy of overnight lodging within the County of Placer at eight percent, and;

WHEREAS, on March 26, 1996, the voters approved an increase in the rate of Transient Occupancy Tax from eight percent to 10 percent for that portion of the County of Placer legally described as the "North Lake Tahoe Transient Occupancy Tax Area", effective October 1, 1996, and expiring on September 30, 2002. On March 5, 2002, the voters reauthorized the 10 percent North Lake Tahoe Transient Occupancy Tax for an additional 10 years, effective October 2, 2002, and expiring September 30, 2012. On June 5, 2012, voters reauthorized the 10 percent North Lake Tahoe Transient

Occupancy Tax a second time for an additional 10 years, effective October 1, 2012, and expiring September 30, 2022.

WHEREAS, the North Lake Tahoe Collection Area includes the County of Placer east of Rainbow Lodge and south to Olympic Valley, Northstar, North Shore and West Shore communities in the Tahoe Basin and is coterminous with the area described as eastern Placer County, and;

WHEREAS, the two percent Transient Occupancy Tax increase has been utilized to assist in funding the Tourism Master Plan and has been allocated by the Board of Supervisors to infrastructure development and visitor-related services such as transit in eastern Placer County since its approval in 1996 and;

WHEREAS, the County contracted with the North Lake Tahoe Resort Association to manage a committee comprised of community representatives to review and recommend capital projects consistent with the Tourism Master Plan and ballot language approved by voters for the two percent Transient Occupancy Tax increase, and;

WHEREAS, County staff recommended revision to the committee structure and County role in managing the committee to broaden geographic and subject matter representation and streamline the project review process, and;

WHEREAS, The County and North Lake Tahoe Resort Association worked in partnership to review proposed changes and develop a strategy to engage community groups to review and provide feedback on the revised committee, and;

WHEREAS, the County and North Lake Tahoe Resort Association co-convened several public meetings in eastern Placer County to solicit community input on the revised committee, and;

WHEREAS, the revised committee incorporates public feedback and meets mutual goals identified by Placer County and the North Lake Tahoe Resort Association to ensure community participation in identifying project priorities, broad geographic and subject matter representation on the committee and continued partnership between Placer County and the North Lake Tahoe Resort Association, and;

WHEREAS, the revised committee will be co-chaired by Placer County and the North Lake Tahoe Resort Association and members will be appointed by community organizations representing resorts, small business, residents and visitors to eastern Placer County, and;

WHEREAS, THE BOARD OF SUPERVISORS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA, wishes to formally identify the committee seats, eligible organizations and term limits of the Capital Projects Advisory Committee or "Cap Committee" to support implementation of the Tourism Master Plan and the Transient Occupancy Tax Investment Policy and recommend visitor-serving capital projects to the Board of Supervisors;

BE IT RESOLVED, by the Board of Supervisors, County of Placer, and State of California, that the Capital Projects Advisory Committee shall review and recommend visitor-serving capital projects consistent with the Tourism Master Plan and Transient Occupancy Tax Investment Policy to the Board of Supervisors and shall include the following designated seats, terms and appointing organizations:

Seat	Representation	Term	Appointed By
1	Business Association	2 Year	Business Associations
2	Business Association	2 Year	Business Associations
3	Special District	2 Year	Special Districts
4	Special District	2 Year	Special Districts
5	Placer County	2 Year	Placer County
6	Placer County	2 Year	Placer County
7	North Lake Tahoe Resort Association	2 Year	North Lake Tahoe Resort Association
8	North Lake Tahoe Resort Association	2 Year	North Lake Tahoe Resort Association
9	Transportation	2 Year	Truckee North Tahoe Transportation Management Association
10	Lodging	3 year	North Lake Tahoe Resort Association
11	Ski Resorts	3 Year	Ski Resorts
12	At-Large (preference for representatives with expertise in housing, arts and culture, health and human services)	3 Year	Placer County and North Lake Tahoe Resort Association
13	At-Large (preference for representatives with expertise in housing, arts and culture, health and human services)	3 Year	Placer County and North Lake Tahoe Resort Association

Member Eligibility

Committee members must reside or hold a business license in eastern Placer County to be eligible for appointment to the Capital Projects Advisory Committee. Committee members can be a Board member, staff, volunteer to the appointing organization or a community member representing the appointing organization.

Appointing Organizations

Appointing organizations must be incorporated for the purpose to provide services in eastern Placer County and all or the majority of their jurisdictional boundaries must be in eastern Placer County.

Eligible Business Associations represent the business community and support implementation of the Tourism Master Plan through economic development, business development and marketing initiatives. The Associations must be incorporated, have a board of directors and meet minimum meeting requirements as defined by the organization’s bylaws to be considered eligible for ongoing participation in the Capital

Projects Advisory Committee process. The eligible Business Associations also represent areas within eastern Placer County that may not be represented by other designated seats. These organizations include the following:

1. Donner Summit Association (Donner Summit)
2. North Tahoe Business Association (Kings Beach/Tahoe Vista)
3. Tahoe City Downtown Association (Tahoe City)

Eligible Special Districts include those that implement projects and provide services consistent with the Tourism Master Plan such as trails, recreation and transportation. These organizations include the following:

1. Northstar Community Services District (Northstar)
2. North Tahoe Public Utility District (Kings Beach/Tahoe Vista)
3. Squaw Valley Public Services District (Squaw Valley)
4. Truckee Tahoe Airport District (Martis Valley)
5. Tahoe City Public Utility District (Tahoe City)

The resort seat will be appointed by the four major ski resorts in eastern Placer County including:

1. Homewood (Westshore/Homewood)
2. Northstar (Northstar)
3. Squaw/Alpine (Squaw Valley and Alpine)
4. Sugar Bowl (Donner Summit)

At-large seats will be appointed by Placer County and the North Lake Tahoe Resort Association with a preference for individuals with expertise in workforce housing, arts and culture and health and human services.

Member Terms

Committee member terms will be staggered between two and three years to ensure committee stability. After the first three years, all terms will be two year terms.

Member Appointments

Members will be appointed to the committee by identified organizations. Applications and appointments for seats will be received by Placer County and the North Lake Tahoe Resort Association. The Board of Supervisors will approve appointed members to the committee.

Committee Meetings

The committee will rotate meeting locations to ensure broad community participation and engagement.

PROPOSED CAPITAL PROJECTS ADVISORY COMMITTEE



PROPOSED CAPITAL PROJECTS ADVISORY COMMITTEE

Co-chaired by Placer County and the North Lake Tahoe Resort Association

	Representation	Initial Term	Appointed By
1	Business Associations	2 years	Business Associations
2	Business Associations	2 years	Business Associations
3	Special Districts/PUDs	2 years	Special Districts
4	Special Districts/PUDs	2 years	Special Districts
5	Resort Association	2 years	Resort Association
6	Resort Association	2 years	Resort Association
7	County appointed	2 years	Placer County
8	County appointed	2 years	Placer County
9	Transportation	2 years	TNT-TMA
10	Ski Resorts	3 years	Ski Resorts
11	Lodging	3 years	Placer County and Resort Association
12	At Large: housing, social service, arts and culture	3 years	Placer County and Resort Association
13	At Large: housing, social service, arts and culture	3 years	Placer County and Resort Association

**RECOMMENDS
PROJECTS &
PROGRAMS**

**ALLOCATES TOT
REVENUE FOR
PROJECTS AND
SERVICES IN
EASTERN PLACER
COUNTY**

BOS
(Placer County Board
of Supervisors)

BUSINESS ASSOCIATIONS:

Donner Summit Association
North Tahoe Business Association
Tahoe City Downtown Association

SPECIAL DISTRICTS:

Northstar Community Services District
North Tahoe Public Utility District
Squaw Valley Public Services District
Tahoe City Public Utility District
Truckee Tahoe Airport District

SKI RESORTS:

Homewood
Northstar
Squaw/Alpine
Sugar Bowl

SIDEBOARDS:

- Preference for one representative per organization
- Appointing organization must provide service in Placer County and implement Tourism Master Plan priorities
- Appointees may include board, staff or community members