

# Beaches

## Facts do not support GM statement

Steve Pinkerton - GM's Corner

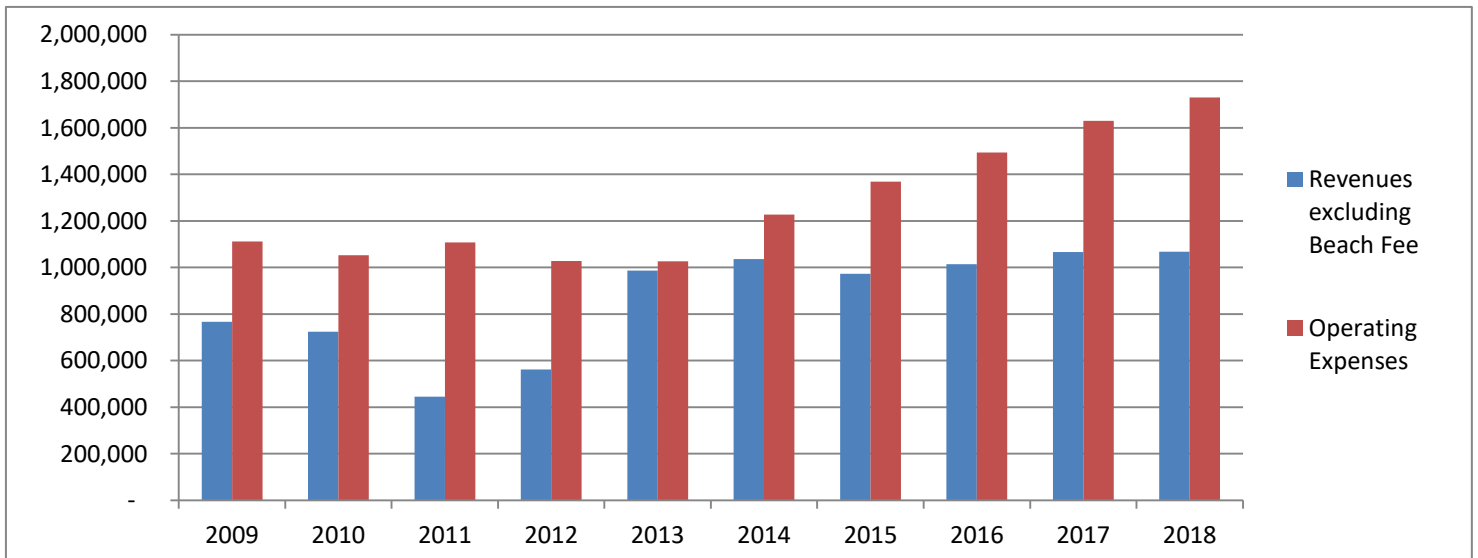
Peak summer nearly over for beaches

North Lake Tahoe Bonanza - Thursday, August 3, 2017

### Pinkerton Statement

*"There are some members of the public criticizing our increased beach expenditures over the past few years. This cost increase is primarily due to the extended season previously noted. We've also received additional revenue to offset the cost of extending our days of operations"*

**FACTS - For the six years prior to Pinkerton's hiring in 2014 operating expenses averaged \$1,100,000 per year. Over the last four years these expenses have increased by \$1,821,000 over the average with the 2018 budget at \$1,730,000. Revenues have remained flat. The increased expenses has been paid by raiding the reserves set aside for a new Incline Beach Building, repurposing money which had been used for bond payments which matured in 2015, and a recent increase in the Beach Fee. In order to construct the new building, \$3,000,000 must be borrowed requiring annual payments of \$363,000 with interest at 4% for ten years. The annual Beach fee will have to be increased by \$50 . A 75% increase in two years. The building is scheduled for construction in 2018-2019**



1)The above chart represents operating revenues from outside sources and excludes the Beach Fee paid along with the annual property tax bill

2) Capital Projects and Debt service are not considered part of operating expenses

3) This graph is to illustrate Revenues did not increase to OFFSET the Expenses by extending days of operation

4) 2009 to 2016 are as stated in the Comprehensive Annual Financial Reports. 2017 & 2018 are from the State Budget Forms 4404LGF