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4 Attorneys for Defendants  
Incline Village General Improvement District, John A. Bohn, Gene Brockman, Bea Epstein,  
5 Chuck Weinberger and Robert C. Wolf

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8 UNITED STATES DISTRICT COURT  
9 FOR THE DISTRICT OF NEVADA

10 STEVEN E. KROLL,

Plaintiff

Case No. 3:08-CV-0166-ECR-RAM

11  
12 vs.

**DEFENDANT INCLINE VILLAGE  
GENERAL IMPROVEMENT  
DISTRICT'S ANSWERS TO  
PLAINTIFF'S FIRST SET OF  
INTERROGATORIES**

13 INCLINE VILLAGE GENERAL  
14 IMPROVEMENT DISTRICT, aka IVGID, a  
governmental subdivision of the State of  
15 Nevada; JOHN A. BOHN; GENE  
16 BROCKMAN; BEA EPSTEIN, CHUCK  
WEINBERGER and ROBERT C. WOLF,  
17 individually and as Trustees of IVGID; DOES  
1 through 25, inclusive, each in their  
individual and official capacities,

Defendants.  
18 \_\_\_\_\_/

19  
20 COMES NOW, Defendant, INCLINE VILLAGE GENERAL IMPROVEMENT  
21 DISTRICT, (hereinafter "IVGID") by and through its attorneys of record, THORNDAL,  
22 ARMSTRONG, DELK, BALKENBUSH & EISINGER, and in accordance with Rule 33 of the  
23 Federal Rules of Civil Procedure, hereby answers Plaintiffs' Interrogatories as follows:

24 IVGID has not completed its discovery and investigation of the facts and circumstances  
25 involved in this case, and therefore, these answers may be incomplete. These answers are given  
26 without prejudice to produce and introduce at trial evidence of any subsequently discovered facts,  
27 information or circumstances. These answers may be supplemented, changed, modified or  
28 amended in light of subsequently discovered facts and information. IVGID reserves the right to

1 continue its discovery and investigation in this matter for additional facts, data, information and  
2 witnesses to support its claims and defenses.

3 **INTERROGATORY NO. 1**

4 Please identify with particularity each and every IVGID record personally reviewed by  
5 IVGID's Director of Finance, Accounting, and Information Technology RAMONA CRUZ in  
6 reaching her conclusion in Paragraph 3 of her Affidavit dated May 21, 2008 (copy attached) that  
7 it is "clear from the records of IVGID that the entire indebtedness resulting from the issuance of  
8 these public bonds was paid for solely by owners of parcels of real property in IVGID as it was  
9 constituted in 1968."

10 **ANSWER NO. 1**

11 A. 10-1-99 Official Statement for Bond Issue including:

- 12 1. Annual debt service requirement.  
13 2. Bond payments and debt service invoices.  
14 3. Payments of fiscal agent.  
15 4. Allocation schedules for debt service payments.

16 B. District financial system JD Edwards (JDE) records reviewed as far back as July  
17 1990 including:

- 18 1. Capital projects transactions as posted to JDE  
19 2. Capital project reports prepared by staff.  
20 3. Balance Sheet for beaches.  
21 4. Profit and Loss statements for beaches.

22 C. Various expenditures charged to beach account numbers including:

- 23 1. Purchase orders for beach capital expenditures.  
24 2. Invoices for payments.  
25  
26 3. Checks and copies of checks to pay invoices.

27 D. Budget Documents and Sheets including:

- 28 1. Capital data sheets that outline the beach capital projects or large

- 1 equipment purchases.
- 2 2. Draft budget documents.
- 3 3. Final budget for capital projects.
- 4 4. Recreation Fee Per Parcel Allocation excel sheets.
- 5 E. Various schedules prepared by staff compiling all available information regarding
- 6 the cash flow of the beaches including:
  - 7 1. Recreation Fee Year by Year.
  - 8 2. Beach 30 year with FTE Allocation worksheets.
- 9 F. District Annual Audit Reports.

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11 **INTERROGATORY NO. 2**

12 Please identify with particularity each and every IVGID record personally reviewed by  
13 IVGID's Director of Finance, Accounting, and Information Technology Ramona Cruz in  
14 reaching her conclusion in Paragraph 4 of her Affidavit dated May 21, 2008 that "The cost of  
15 improvements to the IVGID Beaches was funded through the use of public bonds," and that "The  
16 entire indebtedness resulting from the issuance of these public bonds for the improvements to the  
17 IVGID Beaches was paid for solely by owners of real property in IVGID as it was constituted in  
18 1968."

19 **ANSWER NO. 2**

- 20 A. 10-1-99 Official Statement for Bond Issue including:
  - 21 1. Annual debt service requirement.
  - 22 2. Bond payments and debt service invoices.
  - 23 3. Payments to fiscal agent.
  - 24 4. Allocation schedules for debt service payments.
- 25 B. District financial system JD Edwards records reviewed as far back as July 1990
- 26 including:
  - 27 1. Daily posting from our point of sales systems to beach cost centers
  - 28 and accounts.



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4. Cost centers 3610 - main beaches, 3612 - care of the beach parks, 3615 - Incline beach snack bar, 3617 - Burnt Cedar snack bar.
- B. Various schedules prepared by staff compiling all available information regarding the cash flow of the beaches including:
1. Recreation Fee Year by Year.
  2. Beach 30 year with FTE Allocation worksheets.
  3. Recreation Fee per parcel allocation excel worksheets.
  4. Binder - History of Deed Restriction on IVGID Beaches.
- C. District Annual Audit Reports.

**INTERROGATORY NO. 4**

Do your answers to Interrogatories 1 through 3 include each and every IVGID record or document reviewed by RAMONA CRUZ to which she referred in her May 21, 2008 Affidavit?

**ANSWER NO. 4**

To the best of my recollection.

**INTERROGATORY NO. 5**

If there are any IVGID documents which were not personally reviewed by RAMONA CRUZ in connection with the preparation of her May 21, 2008 Affidavit but which bear directly or indirectly upon the matters and conclusions testified to by her in said Affidavit, please identify each such record with particularity.

**ANSWER NO. 5**

Objection. The information sought by Interrogatory No. 5 is overbroad in its scope in that it seeks information pertaining to a 40 year time span. It would be overly burdensome for IVGID to research all of its financial records over this time period to respond to this interrogatory. Further, the phrase "directly or indirectly" used in this interrogatory is vague and ambiguous.

\* \* \*

1 Without waiving this objection, in preparing her affidavit of May 21, 2008, Ramona Cruz did not  
2 review all of the documents in the IVGID Accounting Office since 1968.

3 DATED this 14th day of July, 2008.

4 THORNDAL, ARMSTRONG,  
5 DELK, BALKENBUSH & EISINGER

6 By



7 STEPHEN C. BALKENBUSH, ESQ.  
8 6590 South McCarran Blvd., Suite B  
9 Reno, NV 89509  
10 (775) 786-2882

11 Attorneys for Defendants  
12 INCLINE VILLAGE GENERAL IMPROVEMENT  
13 DISTRICT, JOHN A. BOHN, GENE BROCKMAN,  
14 BEA EPSTEIN, CHUCK WEINBERGER and  
15 ROBERT C. WOLF  
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**VERIFICATION**

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STATE OF NEVADA       )  
  : ss.  
COUNTY OF WASHOE    )

COMES NOW, RAMONA CRUZ, being duly sworn, deposes and says as follows:

1. That she is currently employed as the Director of Finance, Accounting, and Information Technology for Incline Village General Improvement District (hereinafter IVGID), a Defendant named herein.

2. That she has read the above and foregoing Answers to Plaintiff's First Set of Interrogatories and knows the contents thereof.

3. That the same is true of her own knowledge, except for those matters stated upon information and belief, and as to those matters she believes them to be true.

  
RAMONA CRUZ

SUBSCRIBED and SWORN to before  
me this 14<sup>th</sup> day of July, 2008.

  
NOTARY PUBLIC

 SUSAN A. HERRON  
Notary Public - State of Nevada  
Appointment Recorded in Washoe County  
No: 98-2732-2 - Expires December 8, 2010