

Legislature releases incomplete spending documents

By Jim Sanders, Sacramento Bee

The state Assembly and Senate released current member-by-member spending records Friday, less than one month after the lower house denied public access to the data.

The action is a concession that taxpayers have a right to see up-to-date breakdowns of how funds have been spent through July, rather than year-old statistics that typically are released each November.

But the data released Friday provide a cloudy picture of expenditures. Key documents remain undisclosed, and those released make it difficult to see how spending is bolstered for those serving in leadership positions.

Assembly Speaker John A. Pérez, for example, is listed as having member expenditures of \$225,939, relatively low for the Assembly. But other portions of the multipage records list speaker's office expenditures of \$373,206 and spending for the Democratic Caucus, which Pérez leads, at \$6.7 million.

Friday's fiscal disclosures come less than a month after The Bee and Los Angeles Times filed suit against the Assembly after it balked at releasing current office records, citing an exemption in legislative public-records law for correspondence, notes, memoranda and preliminary drafts.

Read the whole story

Mysterious safe found at old Bill's Casino to be cracked by Oprah's people

By Debra Black, TheStar.com

Producers from the Oprah Winfrey Network will be providing a top notch locksmith to help crack open a safe that may have belonged to a Stateline casino owner who was killed by a car bomb in 1968.

The television network, producers and the locksmith are flying in Tuesday to see if they can open the safe which was found during the demolition of a building that once housed two casinos in the region – Barney's Casino and Bill's Lake Tahoe Casino.

Mike Laub, an attorney, owns both properties and plans to turn the site into a mall including a pharmacy, a jewelry store, a Pilates studio, a clothing store, another casino and a restaurant and bar.

But all work on the \$10 million project has stopped since the 4-foot-tall, locked black safe was found late Thursday afternoon.

The safe was hidden underneath a staircase and was completely sealed off, giving the discovery an air of mystery and intrigue.

Read the whole story

Department responsible for S. Tahoe's finances stays intact

By Kathryn Reed

While employees keep dropping off the payroll in South Lake Tahoe, and even more layoff notices are expected next month, the finance department has for the most part remained fully staffed.

In fact, while other departments are asked to do more with fewer employees, this department hires temporary workers. This is at a time when there are fewer paychecks and other money related items needing processing, and the fiscal projections from this department are regularly off the mark or not fully accounted for.

Admittedly, no one has a crystal ball to know what the future holds, but South Lake Tahoe's finance experts in the last handful of years projected increases in revenue from hotel and property taxes – at a time when everyone said the country was in a recession. Those projections were wrong. Those are two of the three main revenue sources for the city.

And the director of the department, Christine Vuletich, was told by City Manager Tony O'Rourke to put the potential \$1.8 million loss from redevelopment into the budget – something she had kept out until recently. It makes the city's deficit headed into 2011-12, which starts Oct. 1, \$5.2 million instead of \$3.4 million.



Christine
Vuletich

Each year the city's general fund is supplemented with redevelopment money, which is really the TOT collected in those areas. The hotel tax is higher in the redevelopment areas than the rest of the city. Tax increment is not enough to pay all of the millions of dollars in redevelopment debt the city has incurred, and therefore TOT is used for debt, too.

Here are the dollar amounts that have been transferred from the Redevelopment Agency (which is governed by the council members) to the general fund:

- Fiscal year 07 – \$338,000
- Fiscal year 08 – \$457,000
- Fiscal year 09 – \$834,000
- Fiscal year 10 – \$834,000
- Fiscal year 11– \$1.3 million.

Another \$500,000 each of those years has gone from RDA to the general fund to pay back the \$7.2 million that was “borrowed” to pay for the Heavenly Village and parking garage projects.

Until the state makes a ruling in January about the future of redevelopment agency's the city is not voting on what to do with its agency.

Other TOT issues

This also is the department that is accused of letting transient occupancy tax dollars go uncollected.

Councilman Tom Davis at the Aug. 23 meeting asked Vuletich what is going on with the annually unpaid \$500,000 in TOT from private vacation rental owners. Instead of answering the question, Vuletich at first got defensive and argued the amount, not the fact the city is not being paid what it is owed.

The half-million dollar figure is what property management companies have told city officials is not being paid.

Even *Lake Tahoe News* last September was able to uncover nearly \$1,000 in TOT not being paid by B Gorman, executive director of Lake Tahoe South Shore Chamber of Commerce.

Vuletich told the council that last week she met with vacation rental owners and the police chief.

"We have a joint effort under way to address that issue and that will be pretty effective," she told the council. Specifics were not divulged.

After the meeting *Lake Tahoe News* asked her if she thought people were deliberately not paying the tax or if they did not know they had to. She wouldn't venture a guess.

Finance department staffing

Vuletich's salary was increased in March when airport and parking came under her leadership. This was at the same time staff was laid off.

She is the lone director remaining from the Dave Jinkens eight-year reign as city manager. O'Rourke defends Vuletich – saying she is competent and does a good job.

While O'Rourke when he was hired a year ago said the first budget produced with him at the helm would be easy to read and

ready early, insiders say it won't happen. Clearly, it is not early. The budget will be before the council for a vote 18 days before it takes effect. It will be released at least a few days before the Sept. 13 meeting, so readability can be judged then.

While Vuletich has more in her pocket, her employees keep being spared.

In the 2006-07, 2007-08, 2008-09 budgets the finance department had 14.5 full-time equivalent positions. The amended 2009-10 budget brought this number to 13.73. The current budget is back up to 14 FTE.

When it comes to defending her hires, Vuletich emailed *Lake Tahoe News* saying how other departments also use temps – like the police department for the boat patrol (though she failed to mention their salaries don't come from the general fund), stormwater for an environmental analyst (often paid for by grants), and parks and rec summer employees (whose wages are less than the fees they collect).

The finance department uses a temporary accounting technician to process business licenses. Their fee is expected to be \$7,000, according to Vuletich.

"The total temporary labor expense in the Revenue Division is expected to be approximately \$30,930 at fiscal year-end and is a combination of the former temporary full-time Technician (\$23,930) and the current seasonal temporary Technician costs (\$7,000)," Vuletich wrote *LTN*. "Accounting Division: Temporary Budget Analyst hired work on budget preparation and analysis during the budget preparation period. The cost has been \$5,725.50 so far through July 31st and have \$23,000 budgeted for the 10-11 fiscal year, but expect to be paying for approximately 5 more weeks for a total of \$10,725. All temporary labor expenses in the Finance Department have been eliminated for next fiscal year 2011-12."

Douglas County doctor set to be paroled faces murder charges in Arkansas

By Steve Timko, Reno Gazette-Journal

A former Douglas County emergency room doctor, scheduled to be released Sunday from Nevada on second-degree kidnapping charges, was charged Friday with capital murder in the death of the ex-husband of the woman he kidnapped.

Arkansas authorities will seek the extradition of Richard Conte, 61, to face murder charges in the May 18, 2002, deaths of Carter Elliott, 49, and his employee, Timothy Robertson, 25, in Conway, Ark.

Both Conte and Elliott had been married to Lark Gathright-Elliott. Conte's marriage to her in 2001 lasted three months.

A month after the pair were slain in Arkansas, Conte kidnapped Gathright-Elliott from Utah and took her to his Clear Creek Canyon subdivision home. A contract physician with Carson-Tahoe Hospital, he drugged her. Sheriff's deputies rescued her.

Conte pleaded guilty in 2003 to second-degree kidnapping and to illegally administering a controlled substance and received a 15-year sentence.

Read the whole story

Forest Service burning piles to reduce risk of wildfire

The U.S. Forest Service Lake Tahoe Basin Management Unit fuels crew on Thursday had a prescribed fire operation on the West Shore near Rubicon Bay.

This is part of an aggressive program to reduce wildfire risk.

Weather conditions have allowed the Forest Service to treat a total of 1,800 acres in the past year, including 400 acres this summer.



A controlled
burn on the
West Shore.

Photo/Lisa
Herron/USFS

California board looking at

ways to collect unpaid taxes

By Kevin Yamamura, Sacramento Bee

A state tax board is examining more aggressive ways of persuading residents to pay taxes on out-of-state purchases, from sifting through shipping records to requiring tax preparers to ask clients if they bought goods online.

The five-member Board of Equalization, which oversees sales and use tax collection, contemplated such ideas this week while discussing unpaid taxes. Long-standing law requires California residents to pay "use tax" on out-of-state purchases.

Board researchers estimate that \$2.3 billion, or 5 percent, of sales and use taxes went uncollected during the fiscal year that ended June 30, 2010. Use taxes account for \$1.2 billion a year, they said.

California has debated online sales tax collection for years, but the issue reached a political peak this summer after Gov. Jerry Brown signed legislation aimed at forcing out-of-state retailers to collect California sales taxes. Amazon.com has already contributed \$5.25 million toward a signature drive to upend the law, Assembly Bill X1 28.

The Seattle-based retailer has not collected taxes so far on California purchases, believing that it remains exempt because it severed ties with "affiliates" who previously referred customers to its website. Under a 1935 law, Californians still owe use tax on out-of-state purchases, though few pay it.

The most controversial items proposed by Board of Equalization staff were pilot projects in which the state would sift through shipping records and marketing data to determine which residents have probably purchased goods out of state.

The idea is to identify Californians most likely to owe use tax, avoiding the need to blanket all residents with appeals to comply with the law. Board aides emphasized the state would inform residents of their responsibility rather than send itemized bills.

Still, it would mark the most direct approach the state has taken in contacting individual consumers. Since 2004, the state has offered taxpayers a way to voluntarily report use tax on personal income tax forms, but it has never communicated individually with consumers.

Read the whole story

2 arson suspects caught on video

Surveillance cameras captured two males running from the where a fire was started Aug. 25 at the Bijou Center in South Lake Tahoe.

Officers are hoping the public can help identify the men.

When police and fire units arrived about 3:45am they found a trash can on the outside of the business complex engulfed in flames and saw the overhang of the building starting to catch fire.



Two people are seen on surveillance tape at the time the fire started.

Photos/Provided



Police are looking for help in indentifying this person.

Arson investigators found evidence that the fire was deliberately set, but are not releasing what the evidence is.

If you recognize the people in the photos or have information on this incident, call Detective Doug Sentell at (530) 542.6100 or call Secret Witness at (530) 541-6800 to remain anonymous.

– Lake Tahoe News staff report

Placerville voters to have a say in future of redevelopment

By Carlos Alcalá, Sacramento Bee

A small group of Placerville redevelopment opponents qualified a referendum asking the City Council to repeal the town's redevelopment plan or put the matter to a public vote.

About eight people circulated petitions on behalf of Save Hangtown from Redevelopment and Eminent Domain (SHRED), said Sharlene McCaslin, one of the group's leaders. They began the effort after the council adopted a plan in May.

"We were forever hopeful that the city would not pass it," McCaslin said.

The group opposes the potential for eminent domain – despite the plan's restrictions on its use – and questions its financial benefits.

"The city is spending money we don't have," McCaslin said.

The group submitted signatures of a tenth of the city's registered voters, which were verified by the El Dorado County Elections Department.

Read the whole story

Nevada small businesses need access to cash, agency says

By Ben Miller, Reno Gazette-Journal

Federal funding in Northern Nevada could mean hope for small businesses, officials from the Small Business Administration said Wednesday during a visit to the region.

With Nevada's unemployment rate hovering between 12 percent and 13 percent, small businesses and innovation remain important economic drivers.

The Small Business Administration (SBA) has increased loan guarantees nationally for small businesses by \$45 million this year, opening up credit that otherwise would not be available, said Elizabeth Echols, a regional administrator for the SBA. The agency also will give \$1 million to the Rural Nevada Development Corporation, which will act as an intermediary lender to small businesses, today.

The availability of small business credit is essential to stirring motion in the local economy, Echols said. Small businesses often can't grow because they don't have capital needed to invest in equipment and expansion efforts, she said.

"As I've been touring around Northern Nevada, the number one thing I hear from small businesses is that they need access to capital," Echols said.

Read the whole story

DUI crackdown results in 6 arrests in South Lake Tahoe

From 12:01am Aug. 19 through Aug. 25, officers from the South Lake Tahoe Police Department arrested six individuals for driving under the influence of alcohol or drugs.

This is part of the Summer/Labor Day National Anti-DUI crackdown.

On Aug. 24, a DUI checkpoint was conducted in South Lake Tahoe with officers from SLTPD, CHP and El Dorado County Sheriff's Office. That checkpoint resulted in four adults being arrested on suspicion of driving under the influence, one minor cited for allegedly driving with alcohol in her system, one arrest for reportedly possessing a dangerous weapon and four for allegedly being unlicensed or driving with a suspended licenses. Four vehicles were impounded.

DUI arrest data collection will continue through Labor Day midnight Sept. 5.