

# Nevada casinos lose \$1.35 bil. in 2013

By Natalie Cullen, AP

CARSON CITY – Nevada's largest casinos, still climbing out of the recession, suffered a combined net loss of \$1.35 billion in 2013, marking the fifth straight year without an overall profit, state regulators reported Friday.

But there was some positive news in the annual abstract report released by the Nevada Gaming Control Board, which looks at the total revenue of casinos that gross more than \$1 million in gambling revenue.

The total revenue of the 263 casinos included in this year's report rose for the third consecutive year, to \$23 billion. That's an increase of 0.4 percent, or \$99.2 million, from 2012.

While the casinos' losses grew by 11.2 percent or \$136 million, a control board analyst said much of that was tied to increased expenses.

"For the state, an increase in revenue was primarily driven by gambling," said Mike Lawton, senior analyst with the control board. "But due to an increase in expenses, the net loss for the state increased."

Total revenue is the money patrons spent on gambling, rooms, food, beverage and entertainment.

Net income or loss is what casinos retain after expenses have been paid, but before deductions for federal income taxes and accounting for extraordinary expenses.

On the Las Vegas Strip, Nevada's gambling mecca of posh resorts, the losses narrowed, and for the first time since

2007, the growth of gambling revenue outpaced the growth from other aspects such as hotel rooms, food, beverages and entertainment.

The Strip's gambling revenue of \$5.7 billion was up 3.5 percent from 2012, while the Strip's total revenue of \$15.5 billion rose 1.7 percent. It's the 15th straight year in which Strip gambling revenue made up less than half of all revenue, a trend indicative of a tourism market where visitors come for other recreational activities besides gambling.

"It's a positive for the Strip," Lawton said. "Revenues increased and the net loss decreased."

Statewide, the large casinos' \$10.4 billion in gambling revenue rose 1.1 percent and accounted for 45 percent of total revenue, the second lowest percentage ever recorded.

Nevada casinos haven't posted a net profit since 2008, when profits totaled \$721 million. The bottom fell out a year later as the recession put a chokehold on the economy. Casinos in 2009 had a loss of nearly \$6.8 billion.

Before the current string of yearly losses, the only other net loss recorded by Nevada casinos was in fiscal year 2002, after the Sept. 11 attacks.

The 263 casinos included in this year's report paid \$804 million in gambling taxes and fees.

Most of the casinos are in Clark County, which includes the Las Vegas Strip. The 150 Clark County casinos included in the report had a combined net loss of \$1.3 billion on total revenue of \$20.6 billion.

Elsewhere in the state, Washoe County casinos reported a profit of \$719,000, while the 18 casinos in Elko County had \$42.7 million in combined net income. Five casinos on the south shore of Lake Tahoe had a net loss of \$90 million, while

the Carson Valley Area that encompasses Carson City and parts of Douglas county netted \$7 million.

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# Tahoe, Carson docs duped in mega scam

**By Matt Gutman, Chris Kilmer and Lauren Effron, 20/20**

When Navy veteran Carol Roberts first met A.J. Dicken, who boasted about being the most decorated Navy SEAL ever, she was in awe of him, and she wasn't the first.

For years, Dicken, 57, claimed he was an ex-Navy SEAL who had served in dozens of covert combat missions, from the jungles of Vietnam to the caves of Afghanistan. He proudly wore the SEAL trident insignia and loved to show off his numerous awards. He would regale listeners about his mission to assassinate Colombian drug lord Pablo Escobar and his death defying swoop into Pakistan to make the kill shot on Osama Bin Laden. He also carried discharge papers that included two Medals of Honor, and even a laudatory email from Col. Oliver North. He's actually a former Lake Tahoe bartender

But it was all an elaborate lie, one that he would allegedly use to take hundreds of thousands of dollars from his victims – and something else harder to put a price on: their honor.

Roberts met Dicken at a military-style self-defense training school he started in an airplane hangar in Carson City, where she took some shooting and self-defense classes, along with Greg Ginn, a surgeon in South Lake Tahoe, and Brian Romaneschi, an ear-nose-throat specialist in Carson Valley.

The business was popular with the locals, and seemed to be booming. But Dicken's dream to launch his own international security firm was expensive. He convinced Ginn and Romaneschi to invest upward of \$850,000 in the new venture.

Read the whole story

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## No snow: Lack of precip helps Chateau project

**Publisher's note: *This is one of a series of blurbs about how the lack of winter is impacting businesses in the Lake Tahoe Basin. If you have an idea, please email it to [info@LakeTahoeNews.net](mailto:info@LakeTahoeNews.net).***

SMC Contracting Inc. is one of the businesses that is benefiting from the dismal snowfall. But it could be temporary.

The construction company is filling in the hole in the ground in South Lake Tahoe with what will be retail shops this summer.

"The current weather has been favorable for us to pour concrete, do masonry and set steel on the Chateau site. All of which are activities that are much more difficult and costly to do when it's snowing and freezing cold outside," Joe Stewart with SMC told *Lake Tahoe News*. "However, at this point in mid-January we would all prefer it snowed and turned Tahoe into the winter wonderland we all love. Because if it doesn't snow, then most of the companies we build for will suffer financially and won't have any new projects for us to build this coming summer."

# Brown wants to add teeth to Prop. 98

**By Kimberly Beltran, Cabinet Report**

Last year Gov. Jerry Brown set out to fundamentally remake the state's funding relationship with schools – this year the Democratic governor has set his sights on remaking the state's seminal school funding guarantee, Proposition 98.

Perhaps best known for its byzantine formula that adjusts for economic growth, student enrollment and political temperament – the 25-year-old voter-approved spending measure has been criticized for decades because it limits the Legislature's flexibility to deal with overall budget conflicts and at the same time setting a de facto floor – not ceiling – on how much gets spent on public education.

As part of his 2013-14 state budget formally released Thursday, Brown proposed putting a new constitutional amendment before voters that would strengthen the state's existing Rainy Day fund but also put regulations on Proposition 98 in an effort to smooth revenue spikes.

Brown's plan would to create a Proposition 98 reserve account, where deposits would be made when capital gains revenues rise to more than 6.5 percent of general fund tax revenues.

**Read the whole story**

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# Organic pot certification gaining ground

By Jason Hoppin, Santa Cruz Sentinel

CAPITOLA – Santa Cruz has long established its bona fides when it comes to organic farming. But a nascent effort now on the horizon could lead to a new title: the birthplace of certified marijuana.

Clearly echoing the organic movement of the 1970s, a handful of county leaders and responsible-minded medical marijuana growers and dispensary operators are formulating a set of standards that set a new bar for best practices and quality standards for pot. Even county farming officials are lending their expertise.

“Just like the food industry, you’re going to have Safeway dispensaries and Costco dispensaries. And you’re going to have New Leaf dispensaries,” said Colin Disheroon, operator of Santa Cruz Mountain Naturals, who is expanding his offerings of responsibly grown medical pot. “And that’s kind of our goal, to take it to the New Leaf step of things.”

Seen foremost as a way to comply with new county rules on marijuana cultivation, the certification program could represent a significant leap forward in early efforts to come up with standards in what remains a legally gray industry, but one taking cautious yet clear steps toward legitimacy by seeking government regulations.

**Read the whole story**

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# Study: Hospitals are ripping off people

By Nina Liss-Schultz, Mother Jones

The United States has long been known to have one of the most expensive hospital systems in the world, and now a study indicates that hospitals are overcharging patients for medical services.

According to the study published Monday by National Nurses United, the largest nurses' organization in the United States, the price of many services has skyrocketed since the mid-'90s. Many hospitals have set charges at 10 times their cost. The 100 most expensive hospitals in the country, for example, in 2011 charged 765 percent of their costs, or \$765 for every \$100 of total costs.

Charles Idelson, a spokesman for NNU, says that even insured patients, whose insurance providers will offset some of the costs, will be affected by the price hikes. "The skyrocketing prices make premiums, co-pays and deductibles go up," Idelson says. Another recent study, by the Commonwealth Fund, found that "high deductibles and cost-sharing, along with no limits on out-of-pocket costs" may explain why even insured people struggle to afford health care.

**Read the whole story**

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# No snow: Wheels save sleigh ride business

**Publisher's note: *This is one of a series of blurbs about how the lack of winter is impacting businesses in the Lake Tahoe Basin. If you have an idea, please email [info@LakeTahoeNews.net](mailto:info@LakeTahoeNews.net).***

Sleigh rides through the woods are a Lake Tahoe tradition. So are carriage rides.

Fortunately, the Borges family is flexible with what it offers guests.

For the past 47 years the Borges have offered sleigh rides in the field in Stateline next to MontBleu casino. But snow can be a problem so Plan B had to be instituted.

Dwight Borges told *Lake Tahoe News* the holiday season was very good for business because the carriages were out. They are stationed in front of Lake Tahoe Resort Hotel in South Lake Tahoe.

He said people love to see the horses.

It's hard to pass by the carriages and not see someone petting a horse and engaging the driver in a conversation.

– *Lake Tahoe News staff report*

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# Expert details consequences of climate change

By Kathryn Reed

STATELINE – Despite a litany of information documenting how climate is changing and examples of its devastating impacts, one Nobel Peace Prize recipient remains optimistic.

“We still do have a choice. That is the very real reason for optimism,” Bill Collins told a group of more than 40 people Jan. 10 at Harrah’s Lake Tahoe.

Collins was the keynote speaker Friday for the three-day Operation Sierra Storm Meteorologist’s Conference. He is the lead author of the Intergovernmental Panel on Climate Change, heads the Climate Sciences Department at Berkeley Lab and teaches at Cal.



Climate change expert Bill Collins talks Jan. 10 at Harrah’s Lake Tahoe in Stateline. Photo/Kathryn Reed

Climate change is evident from 2012 being a record hot year in the United States, to Australia breaking 123 records in 90 days in 2012, to the world temperature increasing about three-

quarters of a degree centigrade since 1900, to the sea level rising 200 millimeters in the last 100 years.

Cities abutting major water bodies like San Francisco and Oakland are looking at how to handle the rising water. In the Maldives where the elevation is 1 meter above sea level Collins said people are experimenting with building artificial islands.

"Carbon dioxide is increasing from human activities," Collins said.

In 1950 there were 270 parts per million, whereas in 2010 there were 400 parts per million in the atmosphere.

"Through isotopic analysis we know it is man-made. The source is fossil fuels," Collins said.

That is what people have control over – the use of fossil fuels. What they don't have power over are volcanoes and the sun, which are the two primary natural causes of climate change.

A potential irony is that as the Arctic ice melts, it will be easier to drill for oil there.

Forecasting models are split when it comes to whether the United States will see more precipitation or less because of the storm tracks. But what is known is what does fall from the sky is going to be in the form of more rain and less snow. This has significant consequences for places like California and Nevada that depend on snowpack for their reservoir storage and sustained water supply.

"It's critically important to all of us. Water is irreplaceable. Fossil fuel is replaceable," Collins said.

It is a warming Earth that alters moisture and rainfall.

"What was unusual will become the usual by the end of the 21st

century,” Collins said. This is because of the change in the hydrological cycle.

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# Charges dropped against Douglas County judge

By AP

MINDEN – A criminal charge has been dropped against Douglas County District Judge Michael Gibbons in an August accident that killed a bicyclist.

The vehicular homicide charge was dropped in a civil agreement because the family of victim Joseph Longo of Gardnerville didn’t want the judge prosecuted, attorneys for both sides said.

A justice of the peace signed an order approving the settlement Wednesday.

A criminal complaint filed last month alleged Gibbons failed to exercise due care when passing the 61-year-old bicyclist near Gardnerville.

According to the Nevada Highway Patrol, the judge was making a right turn when the rear of his vehicle struck the bike Aug. 20. Gibbons and the bicyclist were heading in the same direction, and Longo was not wearing a helmet.

The NHP investigation concluded Gibbons was at fault in the accident.

But Gibbons’ attorneys, David Houston and Kenneth Lyon, said they recreated the accident twice, using a forensic engineer

and a former NHP accident reconstruction specialist, and would have presented evidence that Gibbons wasn't to blame.

"We believe that this case is more properly resolved in a civil court because our accident reconstruction has shown that Judge Gibbons did not hit the bicyclist," Houston said.

Houston and Lyon issued a statement saying they were pleased the misdemeanor charge was dismissed.

"No one wants to be personally involved in litigation, especially a judge," they said. "The judge will continue to work for improved traffic safety and particularly for the use of helmets in all appropriate sports. This tragic incident has affected many people, and the judge wants to make sure positive changes result."

District Attorney Mark Jackson said he told Moapa Valley Justice of the Peace Lanny Waite that he didn't agree with the settlement, but he didn't have the authority to put that in writing. As district attorney, he was not party to the settlement conference, the results of which are sealed.

Waite issued a stay against further proceedings, and a Jan. 13 court date was vacated. Waite was assigned the case after East Fork Justice of the Peace Tom Perkins disqualified himself.

Gibbons on Monday filed for re-election to a fourth term.

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## **No snow: Man-made snow creates winter fun**

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***Basin. If you have an idea, please email [info@LakeTahoeNews.net](mailto:info@LakeTahoeNews.net).***

The vacant lot next to MontBleu casino in Stateline has been turned into a multidimensional snow playground.

Edgewood Companies, which owns that parcel, has rented the bulk of the land to John Shearer. Shearer also operates Tahoe Sport Fishing and has been in the snowmobile business for 10 years. He grew up a farmer, and said now he is in the snow farming business.

He saw a need and filled it – something he has wanted to do for a few years. Shearer said he is inspired by what Heavenly Mountain Resort does with snowmaking and is doing his part to provide snow fun.

It costs about \$1,000 a night in power to blow snow. He hopes to cut that in half later this month when he can tap into three-phase power. Right now he rents generators for \$2,500 a month and uses 100 gallons of fuel a night.

During the summer Shearer paid for an underground pipe and high pressure pump to be installed to access the water for snowmaking.

Snowmobilers may go around in what is like a big racetrack.

Sledders have access to a mini hill that is built all of snow.

“Eventually I want four tubing lanes, smallest to biggest and different bumps in the middle,” Shearer told *Lake Tahoe News*.

While it’s mostly tourists playing there, Shearer hopes to one day attract locals, too.

– *Lake Tahoe News staff report*