

TAHOE DOUGLAS FIRE PROTECTION DISTRICT
BOARD OF TRUSTEES MEETING

June 29, 2009

Regular Meeting

Those Present:

Frank Forvilly

Steve Seibel

R.J. Clason

Brad Dorton

Roy Clason

Chief LeFever

Bob Cook

Alan Reed

Assistant Chief Ogami

Battalion Chief Mark Novak

Battalion Chief Ben Sharit

Battalion Chief Dave Hekhuis

Leo Horton

Captain Jim Hardison

Captain Tim Allison

Engineer Ralph Jones

Engineer Brandon Brady

Paramedic Kelly Pettit

Paramedic Justin Rossi

Paramedic Brian Zabel

1. Action Item: Call to order.

The meeting was called to order at 4:30 by Chairman Steve Seibel.

2. Action Item: Pledge of Allegiance.

Pledge of allegiance was led by Bob Cook.

3. Action Item: Roll call.

All Board Members were present.

4. Action Item: Public comment.

There was none.

5. Action Item: Discussion and possible action: Approval of consent calendar:

Items appearing on the Consent Calendar are action items generally heard without discussion and adopted with one vote for the entire calendar. Trustees or members of the public may have any consent item pulled and placed on the Administrative Agenda so that the item may be heard and receive public comment. Members of the public requesting that item(s) be pulled shall do so during the Public Comment segment at the beginning of the meeting.

Item:

a. Approval of agenda

b. Approval of minutes 5-21-09

c. Approval of expenditures.

d. Approval of financial statements 4-30-09 & 5-31-09.

Motion by Trustee R.J. Clason to approve the consent calendar as presented.

Motion was seconded by Trustee Roy Clason.

Motion carried with a vote of 5-0.

Action Item #6: Consent Items moved forward.

There were none.

Item #7: Discussion: Review of monthly expenditures.

There was no comment on the monthly expenditures.

Action Item #8: Discussion and possible action: Presentation by Alan Reed of Warren Reed Insurance on Tahoe Douglas Fire Protection Districts annual commercial package insurance renewal.

Alan Reed had distributed the annual renewal booklet to the board. He was asked to explain to the newest board members about the insurance pool and how it works. There are 106 public entities that buy their insurance through the Nevada Public Agency Pool. The membership owns the POOL and all the equity in it. The agency goes out to bid every other year on property and auto insurance. This year the POOL went out to bid on all lines. This year all lines went out to bid. The agency stayed with the current carriers since they were the most reasonable.

The costs are driven by three or four things. In the case of Tahoe Douglas it is the amount of vehicles you have. You are currently in a stable insurance picture.

Some benefits provided are there are no endorsements for any vehicle purchased after July. It is not charged to you until July 1st of the following year but it is insured. They also have a human resource division that provides counsel and training programs.

The overall experience with Tahoe Douglas has been very good.

POOL estimated an across the board increase of 12% for its membership. It ended up being 10%. TDFD had increases in property values and vehicles so yours went up about 16%.

Trustee Brad Dorton said that TDFD cost went up almost 15%. There are six other fire districts in the POOL insurance. Did they go up as well? That is a substantial increase.

Alan Reed answered that TDFD went up 16.95%. Half of that was driven by property increases and increases in the number of vehicles. Last year you had 26 and then you went to 30. Property values went up 5-6%.

Trustee Dorton then said we have been with you for eight years, is that correct?

Alan Reed replied 31 years. You have been with POOL for eight years but prior to that you have been with a host of companies. Property values went up 4%, vehicles went up and payroll went up. Your increase was 16.95% and 9% was due to exposure.

Trustee Dorton then asked, there are approximately 100 agencies in the POOL. Did they have those same kinds of increases?

Alan Reed stated they did. If you look at last year, it was the second or third worst year in the POOL.

Trustee Dorton then said, so if we didn't have any substantial claims are we helping to pay for the other claims.

Alan Reed said no. The 8% increase is normal within the marketplace. You essentially stand alone.

Trustee Brad Dorton then said that you would think the premiums would reflect that.

Alan Reed answered that we have had some employee related claims up here and they were pretty good ones.

Trustee Brad Dorton said he had some specific questions; on page 4, equipment breakdown there is sixty million per loss?

Alan Reed explained; how that works is, there is over three billion dollars of property insured in the POOL. The POOL policy insures up to any one event up to three hundred million per event per the PML calculations.

Trustee Brad Dorton said it seems we are over insured. Also, on the vehicle schedule, he only sees two ambulances on there.

Chief LeFever said, #22 shows as a pick up. It should be an ambulance. The VIN is correct but the description is wrong.

Alan Reed asked the Chief to notify the office.

Trustee R.J. Clason asked who else are the underwriters.

Alan Reed said the carriers this year are Munich, London, Public Risk Mutual, County Insurance Ltd. and Travelers. Munich is the major re-insurer.

Trustee R.J. Clason asked how they are in responding. Do they have to be sued to get payment?

Alan Reed said for the most part, the POOL does a great job; the carriers are very responsive to paying and paying quickly.

Chief LeFever stated that Alan made reference to a couple of law suits we have been involved in. The insurance pool paid for the lawsuit. We did not pay a penny out of the general fund (minus the \$5,000 deductible).

Alan Reed said over the 30 years TDFD has had a lot of Workers' Comp claims.

Chairman Steve thanked Alan Reed and called for a motion.

Motion by Trustee Frank Forvilly to renew the commercial package with Warren Reed Insurance.

Motion seconded by Trustee R.J. Clason.

Carried with a vote of 5-0.

Action Item #9: Discussion and possible action: Budget Transfer: The Board of Trustees of Tahoe Douglas Fire Protection District, State of Nevada will act on a resolution to transfer budget appropriations between accounts for the 2008-2009 budget of the General Fund in the amount of \$60,000.

Chief LeFever stated this was a housekeeping matter. This is a transfer from Capital Projects Outlay to Employee Benefits, because that number was getting so close. In discussions with our accountant Bill Johnson, rather than wait and be in violation of NRS, this should be done. The bottom line does not change.

Motion by Trustee Roy Clason to approve as presented.

Motion seconded by Trustee Frank Forvilly.

Motion carried with a vote of 5-0.

Action Item #10: Discussion and possible action: Budget Augmentation: Notice is hereby given that the Board of Trustees of Tahoe Douglas Fire Protection District, State of Nevada, will act on a resolution to augment the fiscal year 2008-2009 budget of the Special Services Fund in the amount of \$751,076 in order to appropriate previously unbudgeted resources.

Chief LeFever stated this was also a housekeeping matter. We have received two EOD grant checks in the amount of \$742,000. He is asking the board to augment the Special Services Fund the \$742,000 plus the \$9, 076 that is in the audited ending fund balance. This will clean up that

fund making the increase expenditure of the approved budget from \$753,500 to a total expenditure of \$1,493,500.00. That covers both EOD grants.

Motion by Trustee Brad Dorton to augment the fiscal year 2008-2009 budget in the Special Services Fund in the amount of \$751,076.

Motion seconded by Trustee Roy Clason.

Motion carried with a vote of 5-0.

Action Item #11: Discussion and possible action: Approval of the Collective Bargaining Agreement addressing Salaries, Wages and Benefits between I.A.F.F. Local #2441 and the Tahoe Douglas Fire Protection District.

Battalion Chief Ben Sharit stated that he and Leo Horton have worked very hard on negotiations along with ten other employees.

The changes to the contract are as follows:

Section #1: The employer agrees to provide group health; life, disability and accidental death and dismemberment insurance to all employees, and group health insurance to qualified retirees and COBRA participants.

Effective January 1, 2009, the Fire Districts Group Health Insurance Plan for employees and qualified retirees will change from Anthem Blue preferred High Option Plan to Anthem Lemonos HAS EE Elect Plan 22 with \$3000 individual, \$6000 family deductible, 100% co-insurance level, \$2 million lifetime maximum.

Benefit Resource Group will create Health Savings Accounts (HAS) for all employees and qualified retirees and the Fire District will make deposits to the accounts as follows:

Employees and qualified retirees insured as individuals will have \$2700 deposited into their HAS. Employees and qualified retirees insured as two-party or family will have \$5400 deposited into their HAS. Retirees qualified at less than 100% will have the stipulated percentage deposited. Deposits will be made on January 1st of each year. The Fire District will pay all HAS bank expenses.

The Districts Flexible Spending Plan (FSP) will be modified to be in compliance with IRS rules governing HAS and FSSP use.

The Fire District will provide an Anthem PPO plan with benefits similar to insurance year 2008 for employees and retirees that are Medicare eligible or otherwise prohibited by law from contributing to an HAS.

An employee who adds a qualified dependant that causes their status to change from one-party to two-party during the policy year shall have the balance of the two-party HAS contribution

funded on an as-needed basis for the remainder of the policy year, upon receipt of an explanation of benefits.

During the renewal period of each year, if there is an increase of greater than 20% of the premiums rates from prior year (based on the average of the three rates of Single, Two-Party, Family), the Union and the employer shall open contract negotiations.

The employer shall select two members of management and the Union shall select two members of the Union to serve on the Insurance Committee. The Insurance Committee shall be responsible for the benefit selection and provisions of the health care coverage. Any changes shall be subject to the negotiations process.

SECTION #2

EMPLOYEES HIRED BEFORE JUNE 1, 2003 WILL BE SUBJECT TO THE FOLLOWING INSURANCE BENEFIT PROGRAM

Subject to the stipulation described hereafter, the employer agrees to pay for Group Health Care insurance coverage for all qualified retirees who retire on or after July 1, 1999, and the employees' legal spouse at the time of retirement. The employer agrees to pay 100% of the monthly insurance premium and two-party HAS contribution for a qualified retiree with 20 years of service and the retiree's spouse.

Stipulation:

- 19 Years limited to 90% of the combined monthly premium and HAS contribution
- 18 Years limited to 80% of the combined monthly premium and HAS contribution
- 17 Years limited to 70% of the combined monthly premium and HAS contribution
- 16 Years limited to 60% of the combined monthly premium and HAS contribution
- 15 Years limited to 50% of the combined monthly premium and HAS contribution
- Less than 15 Years of service – No District Subsidy

A retiree may request that the District apply the combined subsidy primarily to the monthly premium with any remaining balance applied to the Health Savings Account.

The employer's payment of retiree and spouse health insurance coverage shall begin when the retired employee attains the age of fifty (50) years provided the employee is qualified as stated above.

Upon age sixty-five (65) the employer's allowance towards health insurance shall be limited to the then applicable Non-State "Medicare" P.P.O. rate including any subsequent increases in said rate. The employer's responsibility for retiree's death and for the retiree's spouse upon the spouse's death or upon dissolution of the marriage between the retiree and his or her spouse.

EMPLOYEES HIRED ON OR AFTER JUNE 1, 2003 WILL BE SUBJECT TO THE FOLLOWING INSURANCE BENEFIT PACKAGE

Subject to the stipulation hereafter, the Employer agrees to pay for Group Health Care insurance coverage for all qualified retirees who retire on or after June 1, 2023. The employee's legal spouse at time or retirement may also qualify. The employer agrees to pay 100% of the monthly premium and two-party HAS contribution for a qualified retiree with 25 years of service and the retiree's spouse.

Stipulation:

24 years 100% of employee monthly premium / 80% of spouses' monthly premium and 90% of the two-party HAS contribution.

23 years 100% of employee monthly premium / 60% of spouses' monthly premium and 80% of the two-party HAS contribution.

22 years 100% of employee monthly premium / 40% of spouses' monthly premium and 70% of the two-party HAS contribution.

21 years 100% of employee monthly premium / 20% of spouses' monthly premium and 60% of the two-party HAS contribution.

20 years 100% of employee monthly premium and single party HAS contribution.

Less than 20 years, no district subsidy.

A retiree may request that the District apply the combined subsidy primarily to the monthly premium with any remaining balance applied to the Health Savings Account.

The Employer's payment of retiree and spouse health insurance premium shall begin when the retired employee attains the age of 55 years provided the employee is qualified as stated above.

The Employer's responsibility for retiree insurance coverage will terminate for the retired employee upon the retiree's death or attaining Medicare age and for the retiree's spouse upon spouse's death, attaining Medicare age or upon dissolution of the marriage between the retiree and his or her spouse, whichever occurs first.

The following applies to all qualified retirees:

Enrollment status will be "limited to" and "identified as" the legal spouse and/or legal dependent(s) at the time of retirement. No additional spouses/dependents will be covered under the District's allowance agreement after the employee retires.

If an otherwise qualified employee retires before age fifty (50) or fifty-five (55) as stipulated above, the employee may remain on the District's current group health policy by paying premiums out of pocket until age fifty (50) or fifty-five (55).

The benefit was initiated in lieu of a 2% increase in fiscal year 2000-2001.

SECTION #3

Any employee who does not use more than one (1) shift of sick leave or does not have an on-the-job injury requiring a workers' compensation claim during the fiscal year will have \$1,000 added

to the face value of his/her life insurance policy. This additional life insurance benefit shall be funded from the District's General Fund.

SECTION #4
Cafeteria Plan.

The employer agrees to offer a cafeteria plan to all bargaining unit employees providing the annual financial impact to the Health Insurance Fund does not exceed \$7,500.00.

OCCUPATIONAL SAFETY AND HEALTH

SECTION #2

The Committee will meet quarterly and/or as soon as practical upon the call of either Chairperson for the purpose of inspecting, investigating, and reviewing health and safety conditions concerning the employees, including engine company staffing levels and resources allocation. The Committee or any of its representatives shall submit to the Fire Chief and the Union President reports concerning safety and health conditions of the employees.

Nothing in this article shall alter or reduce management's rights as specified in Division I, Article #4 of this agreement.

WORKING OUT OF CLASSIFICATION/OVERTIME

Remove Division V, Article #8, Section #3 (Working Out of Class). Change Overtime Rules to reflect "rank for rank" overtime list. Pay all overtime according to Division V, Article #3, Section #1 (regular overtime and emergency overtime).

ON THE JOB INJURY

Division IV, Article #4

SECTION #1

When an employee is absent due to an on-the-job-injury for a period up to 30 calendar days from the date of injury, they will receive compensation, upon acceptance of their claim by the current Industrial Insurance carrier, equal to their salary. During this period, the employee shall not forfeit any accrued benefits.

If, after the expiration of 30 calendar days the employee is still unable to work, they may elect to utilize accrued sick leave (and accrued vacation after sick leave is expended) to supplement their Industrial Insurance payments. Should the employee choose not to supplement their Industrial Insurance payments, they may request a leave of absence from the fire district.

SECTION #3 (new section)

An employee scheduled to work a shift as a trade, who is unable to work due to an on-the-job injury shall have the option of cancelling the trade, finding another employee to work the trade, or use vacation or sick leave.

VACATION

Division IV, Article #8

SECTION #2

A maximum of 48 hours of unused vacation time will be carried over into the next fiscal year. Unused vacation time exceeding 48 hours will become void and will be lost.

SECTION #7

A maximum of one member per shift shall be on scheduled vacation during the months of July and August for the fiscal year 2009-2010. A maximum of two members per shift may be on scheduled vacation otherwise.

SALARY SCHEDULE

SECTION #2

Payment to be made on the second payday of the months of June and December.

SECTION #3

The declared work cycle (or period) for the Tahoe Douglas Fire Protection District for 7k exempt firefighters will be 9 days.

Effective July 1, 2009, payday for all personnel will be every other Friday beginning Friday, July 10th. The close of the payroll period will be at 0800 hours on the Monday preceding payday made on the second payday of the months of June and December.

SECTION #5

An employee shall be eligible for a step raise one (1) year following a previous step raise until top step is reached.

Sick Leave:

Division IV Leave, Article 6 Sick Leave

SECTION #5

Such payment shall be made on the second payday in July.

Vacation:

Division IV Leave, Article #8 Vacation

SECTION #6

Such payment will be made on the second payday in July.

Motion by Trustee Roy Clason to accept the Collective Bargaining Agreement as presented.

Motion seconded by Trustee Brad Dorton.

Motion carried with a vote of 5-0.

Item #12: Presentation: Fire Chief's report of previous month's activities.

Chief LeFever wished to recognize Captain Chuck Salerno and Captain Jim Antti for 17 years of service and Engineer Todd Moss for his 11 years of service.

Contract For Consulting Services:

We have entered into a contract with John Pickett for forestry consulting services. The agreement has been included in the board books.

There were a total of 117 alarms for the month of May.

Ambulance collections are at 66.84%.

Fuels Reduction billed out \$495,749 and has been reimbursed \$422,232. The balance is \$73,517.

EOD Grant amount is \$445,465.00. We have invoiced \$360,606.09, paid \$135,744.60 and have been reimbursed \$105,124.65 as of this date.

There is presently \$4,029,727.11 in the Edward Jones portfolio.

Legal issues – The fuels reduction facility @ Logging Road via discussions with Douglas County District Attorney's Office and Douglas County Community Development. This will remain an on-going, dynamic process these next few months.

Action Item #13: Set date for next meeting and possible agenda items.

The next meeting will be July 15, 2009.

Motion by Trustee R.J. Clason.

Motion seconded by Trustee Brad Dorton.

Motion carried with a vote of 5-0.

Action Item #14: Adjourn

Motion by Trustee Frank Forvilly adjourn.

Seconded by Trustee Roy Clason.

Motion carried with a vote of 5-0

The meeting adjourned at 6:25 p.m.

This meeting was recorded on audio tape.