

TAHOE DOUGLAS FIRE PROTECTION DISTRICT
BOARD OF TRUSTEES MEETING
February 22, 2023

Those Present:

Chairman Larry Schussel
Vice Chairman Greg Felton
Trustee Janet Murphy

Trustee Ben Johnson
Fire Chief Scott Lindgren
Legal Counsel Emily Mansoor

1. Call to Order.

Meeting was called to order at 2:30 pm.

2. Pledge of Allegiance.

The Pledge of Allegiance was led by Vice Chair Greg Felton.

3. Roll Call.

Chairman Schussel, Vice Chair Felton, Trustee Johnson, and Trustee Murphy were all present. A quorum was met.

4. Approval of the Agenda.

Vice Chair Felton made a motion to approve the agenda as presented with the exception of Item #10 which will be covered in the March meeting. Second: Trustee Johnson. Motion approved 4-0.

5. Public Comment: None.

6. Approval of the Consent Calendar.

- a. Board Meeting Minutes 01/18/23
- b. Monthly Expenditures
- c. Financials 08/31/22
- d. GASB 75 Actuarial Report FY Ending 06/30/22
- e. PEPB Other Postemployment Benefits FY Ending 06/30/22

Vice Chair Felton made a motion to approve the Consent Calendar as presented omitting item d) GASB 75 Actuarial Report FY Ending 06/30/22. Second: Trustee Johnson. Motion approved 4-0.

7. Consent items moved forward.

Item d: Vice Chair Felton questioned the cover letter of this report which states the Trust is funded on a pay-as-you go basis. Chief Lindgren advised that the District was previously pay-as-you go during the initial funding. He clarified five previous employees fell into a different collective bargaining agreement (CBA), and that liability is addressed in the PEPB Report.

Vice Chair Felton motioned to approve "Item d." Second: Janet Murphy. Motion approved 4-0.

**8. Presentation: Sustainable Community Advocates
Steve Teshara**

Teshara's company was established in 2010 to make sure there was a steady flow of funding to the Basin for fuels reduction initiative. Teshara assists clients in the development of strategies, initiatives, action plans and project delivery in order to support and ensure the long-term viability of communities and regions. Chief Lindgren added that Teshara was very helpful in assisting in our special tax override that helps fund our Wildland Fire & Fuels reduction program.

Teshara discussed that in order to stay ahead and not lose the extra funding that is provided for wildland fire and fuels reduction, the District needs to do a few things: 1) maintain the "grass roots" in the community, 2) don't take it for granted, and 3) have a strategy before it expires. One way to stay ahead is by making the public aware of where their money is going.

The Forest Service and TRPA continue to meet about the public safety pier and there is a clear understanding how urgent this situation is. He admires the work that the District provides as first responders in our community and is appreciative of the team he is a part of.

9. Discussion and possible approval of the audit of the Fire District's financial statements for fiscal year 2021-2022 prepared by Eide Bailly, LLP.

Kurt Schlicker, Partner

Pages 1 – 4 – Independent Auditor's Report – States there is a reasonable assurance that the financial statements are materially accurate, which is the highest level of assurance that Eide Bailly, LLP provides.

Pages 5 - 14: Management's Discussion and Analysis - Highlights prepared by management that discuss the overall operations of the District throughout the year.

Page 15 – Statement of Net Position – Represents the balance sheet for the District as a whole. All of the budgetary funds are combined into one statement including the OPEB Trust. Total net position for the year shows of \$5.871 million, most of it is capital assets. The OPEB asset, from an actuarial basis, is overfunded by approximately \$2.6 million dollars. Schlicker stated that the overall Net Position of the District is financially healthy with no cause for concern.

Page 16 - Statement of Activities – Shows the net position, end of year of \$5.871 million.

Page 17 – Balance Sheet - Governmental Funds – Shows a total fund balance of \$11.3 million. Some funds are restricted, for example all of the donations for the Aviation Fund are restricted. In the General Fund there is \$3.7 million unassigned funds for reserve, not including next year's assignment of the budget.

Page 19 - Statement of Revenue and Expenditures – Expenditures are 30% of the General Fund budget which is very healthy. Common practice is 8%. – 6 weeks of operating

TAHOE DOUGLAS FIRE PROTECTION DISTRICT
BOARD OF TRUSTEES MEETING
February 22, 2023

expenditures.

Trustee Murphy asked for clarification on the Special Services Fund. Chief Lindgen identified this as non-fire activities, for example water tender, water rescue, EOD, rope rescue, water tender, and Tracker (Bomb dog) etc.

Pages 21 – 23 Ambulance Fund - Represents budgeted salary and benefits for EMS FTE's and ambulance revenue's and other expenses. Set up as an enterprise fund.

Page 24 – 25 Post Retirement Plan Trust – Schlicker noted the Trust is on the calendar year instead of the fiscal year. The balance in the account was \$15 million as of December 31, 2021. This Trust exists to fund the District's liability for retiree insurance as per the CBA.

Pages 26 – 53 Notes to the Financial Statements –Details as to the activities of the District. Schlicker drew attention to the status of the OPEB and PEBP liabilities (P46), cash investments, risk and the sensitivity of the discount rate (P52). The Trust discount rate is currently a 6.5% which represents the goal over time for the investment. Typically, rates run from 6%-7.5%. He noted that the TDFPD actuarial report was reviewed by Eide Bailly's actuarial specialist to verify its accuracy.

Pages 54 – 60 Governmental Fund Budget Breakdowns – Represents the budget vs. actual.

Page 78 Financial Close and Reporting - Material Weakness – This is a continuous finding from previous years for the District. The finding states the concern for outsourcing our District financials to a third party. Eide Bailly creates the financials rather than being prepared internally. This is a conscious decision by the District and is a common practice. Schlicker stated that Eide Bailly estimated it took 100 hours to prepare the financial statements alone.

Trustee Felton clarified that our current process of preparing our financial statements is in fact a legal process and is conducted by other government agencies. This is very common, but something that needs to be communicated to the public.

Audit Manager Schlicker agreed that this process is legal and very common across the country.

Note 2: Trustee Murphy asked a question from note 2 on P34 about compliance with Nevada Revised Statutes (NRS) and Administrative Code (NAC). Schlicker confirmed the fire safe community services fund was over by \$221,890.

Accountant Bill Johnson advised that normal practice for the end of the fiscal year, accountants accrue one entire pay period. This year, \$600K was accrued, in May for the June budget augmentations. There were two full pay periods, in June, which contained overtime associated with early season fires, so expenses was under estimated.

Schlicker added when an agency does a budget augmentation under NAC, justifications can be greater than anticipated resources, or the use of beginning fund balance. If not available, the

TAHOE DOUGLAS FIRE PROTECTION DISTRICT
BOARD OF TRUSTEES MEETING
February 22, 2023

other resources can be used. Which is where revenue is going to come in - however if you don't receive your receivables within 60 days, the revenue reverts and what happens is that it's not an available resource to use.

Trustee Murphy made a motion to accept the audit as prepared by Eide Bailly; Trustee Johnson seconded. Motion approved 4-0.

10. Liberty Benefits Group (LBG)

The LBG Presentation was rescheduled for the March BOT meeting.

11. Employee Recognition

Fire Chief Scott Lindgren

Service Recognition:

ADO Kate Warner
Chief Matt Fogarty

13 years
9 years

Swear In New Employees:

Kimberly Campbell	Firefighter/Paramedic
Ryan Campbell	Firefighter/Paramedic

12. Report Item: Review of Monthly Fire District Activities and Division Reports
Fire Chief Scott Lindgren

Vice Chair Felton requested more information from Chief Schafer regarding the Spider Walking Excavator. Chief Schafer responded that NDF awarded the District additional funding to further fuels reduction in the Glenbrook community. This gives the District an opportunity to showcase the capabilities of the Spider. Chief Schafer extended an invitation to the Board to come watch the Spider in action.

Vice Chair Felton sought more information about the Barton Health "vision" meeting. Chief Lindgren discussed Barton Health's plan for opening in phases. Barton is expanding their footprint for the emergency room, lab and outpatient rooms, while also discussing the possibility of onsite employee housing. Due to the new hospital, the District will be expanding our services for facility to facility transfers, which will provide better in our community.

Vice Chair Felton asked for an update about the hydrant clearing. Chief Lindgren advised the District is still having a problem with Kingsbury General Improvement District (KGID). The District has great working relationships with all of our local GID's. The District's attorney Devon Reese confirmed that NV State Law dictates that the water purveyor is responsible for keeping the hydrants clear. The District is able to cite them \$1000 per violation and we have started a conversations with the KGID board members. Zephyr Crew is not funded to dig the

TAHOE DOUGLAS FIRE PROTECTION DISTRICT
BOARD OF TRUSTEES MEETING
February 22, 2023

hydrants out, however if KGID contracts the Zephyr Crew, then it is something that the District will assign them to do. The District crews assist with shoveling hydrants by utilizing on duty line staff to shovel in their immediate District when possible.

Vice Chair Felton needed more information about the Administrative Division moving Accounts Payable (AP) in-house. Chief Lindgren elaborated that Bill Johnson will continue to be our accountant; however Accounting Specialist French is now processing all of the AP in-house; meaning not only is the District saving money, but we are also enhancing the process.

Chief Lindgren notified the Board that the new fire rescue boat is still on track for April and is in the process of being painted.

Chief Lindgren and Chief Schafer had a meeting with NV Environmental where they discussed fuel plans around the lake, including the grant process.

13. Trustee Comments

Vice chair Felton commented that the former Marine 24 is now at a shop for repairs. At least 200 pounds of sand has come out of the boat and they are working on drying it out.

Trustee Murphy advised that the NDOT “new highway” plan is on hold.

14. Public Comment: None.

15. Discussion: Confirm next meeting, with a proposed date of Wednesday, March 15, 2023, with a start time of 2:30 pm and possible agenda items.

Meeting Adjourned: 4:25 pm

Submitted by:
Amanda Keeton
Fire Board Clerk