

**TAHOE DOUGLAS FIRE PROTECTION DISTRICT**  
**POST-RETIREMENT TRUST**  
**BOARD OF TRUSTEES MEETING**  
February 21, 2020  
**Special Session**

**Those Present:**

Chairman Ben Sharit (via phone)  
Vice-Chairman Chuck Salerno  
Secretary/Treasurer Bill Johnson(via phone)

Trustee Scott Baker  
Trustee Scott Vandover (via phone)  
Office Manager Kate Warner

*Note: the audio tape of this meeting could not be located. Minutes have been produced based on Warner's notes only.*

**1. Call to order.**

The meeting was called to order at approximately 9:00 am by Chairman Sharit.

**2. Pledge of Allegiance.**

Pledge of allegiance.

**3. Roll call.**

Trustees Baker, Johnson, Salerno, Sharit (via phone) and Vandover were all present. Quorum confirmed.

**4. Approval of agenda.**

A motion was made to approve the agenda, seconded. Motion carried 5-0.

**5. Public Comment:**

None.

**6. For Possible Action: Approval of Consent Calendar.**

- a. Approval of Minutes 01/30/20
- b. Quarterly Expense Report

A motion was made to approve the consent calendar, seconded. Motion carried 5-0.

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7. ***For Possible Action:***  
***Consent Calendar moved forward.***  
None.
8. ***For Possible Action: Discussion and possible review and approval of the recommendation from the trust auditor, EideBailly, to address GASB 84 requirements.***  
Secretary/Treasurer Bill Johnson and Trustee Scott Baker

Trustees Johnson and Baker reviewed the recommendation from EideBailly.

**History:**

The fire district and the trust auditors have advised that GASB 84 will require the fire district to further record the trust liability as a fiduciary component unit with trust financial statements added to the fire district's financial statements.

NRS requires OPEB trusts to be audited annually with the provision for either a standalone audit or as part of the governmental agency audit.

Currently the trust operates on a calendar year fiscal year and the fire district operates with Jul 1- Jun 30 schedules. Options are:

1. Leave as is with two different fiscal years. GASB 14 has made provisions for agencies to do that and report with the most recent report and with disclosures noting such.
2. Sync the fiscal years on the same schedule. Currently there is no provision for changing the measurement date on GASB 74 or 75.

**Financial Impact:**

Auditors speculate that if an agency opted to change the fiscal year, a restatement of the past four years of actuarial reports would be required with additional costs to the fire district.

Auditors do not feel that the added benefit of fiscal year alignment justifies the cost.

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If left on the current schedule, no additional reviews would be required of the trust audit and there could be a savings of approximately \$4,000 by not producing a separate financial report for the trust.

The schedule for Form 990 was reviewed; forms are due 5 ½ months after close of the fiscal year 12/31/XX, which is May 15. The recommended schedule is to complete the

Trust audit May-June which will always require a request for an extension to Nov 15. Trust audit would not be finalized until the fire district audit is complete.

Staff voiced concern that the workload of having both audits underway at the same time on top of quarterly grant reporting requirements would be difficult.

**Proposed annual audit schedule:**

|               |  |
|---------------|--|
| March         | Report to State of NV agencies auditors<br>Engagement Letter signed                              |
| March – May   | Actuarial Updates (no change)<br>File for Trust extension  |
| May – June    | Trust fieldwork and audit<br>Auditors will front load applicable testing for fire district audit |
| August        | Prepared by Client (PBC) document request<br>Must wait 60 days for accrued revenue               |
| Mid-September | Fire district fieldwork (after 09/15/XX for accountants) and audit                               |
| Late October  | Audit ready for final internal review at EideBailly<br>Complete and file Form 990 for the trust  |
| November BOT  | Deliver the audit to the trustees by November 30   |

**Options:**

- 1 Make no change to fiscal years for the trust, and incorporate the trust audit into the fire district audit with a slight savings resulting from eliminating the separate trust financial statements.
- 2 Make no change to fiscal years for the trust, and continue to stand alone audit for the trust.
- 3 Change the fiscal year measurement period to June 30 to match the fire district, which may incur expenses to adjust prior actuarial reports.

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**Recommendation:** Option #1

**Discussion:**

Chairman Sharit expressed concern that when the Trust was originally set up, the Trust attorney, stressed the importance of keeping the fire district and the Trust finances completely separate.

Secretary/Treasurer Johnson agreed that was the direction in 2012, however, no one anticipated the numerous changes that the GASB with implement in the years that have followed. He reiterated that if the fiscal year changed, it would require adjustments to all the historical documents – financial statements and filings - for the Trust which would just create extra work and extra expense.

A motion was made to continue with the Trust’s fiscal year as the calendar year, to incorporate the annual audit into the fire district audit and eliminate a separate financial report for the trust, motion was seconded. Motion carried 5-0.

***Confirm next meeting, Tuesday, July 28, 2020 @ 9:00 am and possible agenda Items.***

Possible agenda items:  
None.

***Adjourn***

The meeting was adjourned at approximately 10:00 am.

**Kate Warner**  
**Office Manager**  
**Tahoe Douglas Fire Protection District**