

TAHOE DOUGLAS FIRE PROTECTION DISTRICT  
BOARD OF TRUSTEES MEETING  
March 27, 2024

**Those Present:**

Chief Scott Lindgren

Assistant Chief Bryce Cranch

Chairman Greg Felton

Vice Chair Ben Johnson

Legal Counsel Alex Velto (virtual)

Trustee Stacy Noyes

Trustee Janet Murphy

Trustee Larry Schussel (virtual)

**1. Call to Order.**

Meeting was called to order at 2:30 PM.

**2. Pledge of Allegiance.**

The Pledge of Allegiance was led by Bill Johnson.

**3. Roll Call.**

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

**4. Approval of the Agenda.**

Vice Chair Johnson made a motion to approve the agenda as presented.

Second: Trustee Noyes

Motion approved: 5-0.

**5. Public Comment:**

Dan Kruger introduced himself as a District resident who is running for a Trustee position with the Board. He has a background in Forestry, working with both US Forest Service (USFS), CalFire and ski patrol.

Sandy Parks introduced herself as a resident in the District and as a member of the Kingsbury General Improvement District (KGID) Board. She is attending the Board Meeting on her own accord and not on behalf of KGID. Sandy expressed concern about the communication between KGID and Tahoe Douglas Fire Protection District, posing the question, “When did we stop working together?”

She stated that KGID has had the same plow company for the past thirty-five years and she isn’t sure what is different now. The Board is unable to discuss this item because it’s not an agenda item. However, the Board agreed to discuss this topic offline with Sandy.

**6. Trustee Comments:**

Trustee Noyes and Chairman Felton participated in the annual *Tahoe Douglas Rotary Green*

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*Eggs and Ham* event on March 15th at Zephyr Cove Elementary. Both Trustees enjoyed assisting the firefighters with cooking the eggs and ham at TDF Station 24. Trustee Schussel congratulated Engineer Apple and Battalion Chief Monaghan as recipients of the *2024 Elks Club Firefighter of the Year* award.

*Burger Night Fundraiser* for George Whittell High School and South Tahoe High School:

**Where:** Red Hut Café – 1001 Ski Run Blvd. South Lake Tahoe, CA 96150

**When:** April 11<sup>th</sup> at 4:30 PM

**What:** \$15.00 – Enjoy a burger, homemade chips and a soda.

There will be a live auction and raffle at 6:00 PM.

All proceeds will be split between the two high schools.

**7. Approval of the Consent Calendar.**

- a. Board Meeting Minutes 02/28/2024
- b. Monthly Expenditures

Trustee Murphy made a motion to approve the consent calendar as presented.

Second: Vice Chair Johnson

Motion Approved: 5-0

**8. Consent items moved forward:**

None.

**9. Special Recognition**

Fire Chief Scott Lindgren

**Service Recognition:**

Chief Chris Lucas	20 years
Chief Bryce Cranch	20 years
Captain Chris Peterson	19 years
Captain Nate Johnson	14 years
Captain Ryan Sanders	11 years
Firefighter Benjamin Arrate	11 years
Engineer Ryan Pruitt	11 years
Engineer Kurt Hamann	11 years
Captain Mark Norwood	11 years
Engineer Jesse McDonald	11 years
Captain William Darr	11 years

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Engineer Chad Baker	11 years
Firefighter/Paramedic Shane Gump	5 years
Firefighter/Paramedic Jacob Looney	5 years
Captain Andy Isenberg	11 years
Firefighter Michael Wicks	3 years (Seasonal since 2013)
Captain/Crew Foreman Jared Correll	3 years (Seasonal since 2014)
Captain/Crew Foreman/Mechanic Brody Zink	3 years (Seasonal since 2014)
Firefighter Josh Wesson	3 years (Seasonal since 2018)
Firefighter Kevin Schoonmaker	3 years (Seasonal since 2020)

FF/AEMT Josh Wesson is currently attending paramedic school.  
FF/AEMT Kevin Schoonmaker is beginning a paramedic internship.

**10. Discussion and Possible Approval to Change the May Board Meeting from May 15, 2024 to May 29, 2024 for Budget Approval.**

Fire Chief Scott Lindgren

Trustee Noyes made a motion to approve the date change for the May Board meeting from May 15th, 2024 to May 29th, 2024 for the budget approval.

Second: Vice Chair Johnson

Motion Approved: 5-0

**11. Review and Possible Approval of the Audit of the Fire District’s Financial Statements for Fiscal Year 2022-2023, prepared by Eide Bailly LLP.**

Kurt Schlicker, Audit Senior Manager – Eide Bailly

Finance Manager Carrie Nolting

Bill Johnson – David, Johnson & Larson, LTD

**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.

*Correction of Error* - An error resulting in overstatement of amounts previously reported for deferred inflows of resources and understatement of amount reported for revenue in the Fire Safe Community Fund as of June 30, 2022, were discovered by management of the District during the current fiscal year. Accordingly, a restatement has been made to the Fire Safe Community fund balance as of July 1, 2022, to correct the error. (Note 11- P53)

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**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. Schlicker stated that the overall Net Position is \$6.3 million which is very positive.

**Page 16 – Statement of Activities** – Shows the net position, end of year at \$6.340 million. Governmental Activities showed it was positive by \$617,000. Change in Net positions, Ambulance was down by \$148,000.

**Page 17 – Balance Sheet – Governmental Funds** – Shows a total fund balance of \$10.3 million.

**Page 18 - Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position** - Chairman Felton asked if Eide Bailly, LLP has to include this page because it is required by the state. Schlicker responded that it is governed by the GASB so Eide Bailly, LLP is required to give an opinion.

**Page 19 – Statement of Revenue and Expenditures** – Although, the net change of the fund balance was a decrease of \$1,000,000, the fund is healthy at \$10.3 million. Total expenditures in fund balance of \$17.7 million.

Vice Chair Johnson asked what is normal for a government agency? Schlicker responded that some government agencies will put in a minimum fund balance policy as an economic stabilization tool. Schlicker responded that there isn’t a technical requirement and that the District is in a healthy financial position. Schlicker advised that four to eight months is a good place to be.

Chairman Felton commented that the District sometimes has very large capital expenditures that come up from time to time, expecting this to grow beyond eight months because the District is saving for things. Is it appropriate to put a high-end cap on this?

Schlicker advised there is nothing wrong with prefunding some capital projects. Schlicker wouldn’t include those types of expenditures in his analysis.

**Pages 21 – 23 – Ambulance Fund** – Represents budgeted salary and benefits for EMS FTE’s and ambulance revenues and other expenses. Set up as an enterprise fund. The subsidy this year was a net position of roughly \$700,000.

**Pages 24 – 25 – Post Retirement Plan Trust** – Schlicker stated that the OPEB Trust was audited.

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Net position is \$12.7 million.

Chief Lindgren asked if Schlicker sees the healthy OPEB Trust as common or uncommon. Schlicker responded that TDF District is the only client of Eide Bailly that has the OPEB Trust. Chief Lindgren stated that the District was putting money into the fund, up until three years ago when the audit showed that the fund was healthy. Do we need to start putting money in it again or not?

Schlicker advised to monitor investment performance over the next year or two and adjust accordingly with the retirement investment advisors. Johnson added that there are some anomalies between the retirement trust benefit over the last three years. It was at an all-time high at \$15 million in assets, and then it dropped to \$13 million now. Johnson suggested that if the fund goes under \$10 million, then we can explore making some changes to what we're doing.

Chairman Felton asked for clarification if the \$12.7 million is sufficiently similar to the RBIF investment we're seeing. Schlicker responded that it is almost identical.

Chairman Felton asked for clarification on if the life of the plan is indefinite or only considering the lifespan of current employees.

Schlicker responded that the only thing the actuary is able to monitor is the census data. That includes the retirees currently using the plan and the active employees who will eventually retire and then receive a benefit. The actuary looks closely at mortality tables and healthcare cost trends and adds that to the census data. Healthcare cost trends are extended to 2096.

Chairman Felton asked for clarification if the census data is looking at the history of the District or the history of the market. Schlicker responded that the healthcare cost trend rates tend to look at what the District has had historically and also what is happening in the market.

Trustee Murphy asked if the actuary measures out to 2096.

Schlicker reminded that the actuaries have a cash flow model to monitor where they extend out for the life of the census, which they develop from mortality tables.

**Page 26 - 54 - Notes to Financial Statements -**

*Page 33, Note 2 Compliance with Nevada Revised Statutes (NRS) and Nevada Administrative Code (NAC)*

Schlicker confirmed there was no mismanagement of the budget by the District. He added that the only way the District could try to avoid the violation is by being more conservative in the employee benefit pension expenses, however it is very volatile.

Chief Lindgren discussed that Barton Hospital joining our District will possibly benefit the District immensely due to inter-facility transfers.

Chairman Felton asked for clarification on how the inter-facility transfer will work for payment from Medicare patients. Chief Brady answered that it depends on how the contract is written.

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Vice Chair Johnson asked if the District is going to lose some of the GEMT reimbursement when Barton Hospital opens in the District.

Schlicker responded that Barton Hospital being here will impact it slightly because GEMT is based on net loss of the funds. Chief Lindgren noted that we will have to increase our staffing in order to not take away ambulance services from the District residents.

Chief Lindgren acknowledged that the second bullet point under Note 2 indicates a violation of NAC 354.750 - An inventory of capital assets was not performed within the last two fiscal years. The Captain handling the inventory went out on a Workers Compensation injury and ultimately took a medical retirement. Lindgren stated that it is a mistake that the District made and the District will get the project reassigned and back on track.

*Page 43 Note 8 Defined Benefit Pension Plan*

Net Pension Liability is \$21.7 million.

*Page 52 Note 9 Other Post-Employment Benefits*

District Plan Net OPEB Liability Asset of \$447,408 - Schlicker discussed the potential for fluctuation if there is a decrease or increase of 1%. Schlicker suggests that it's something that the District monitors closely as it is highly volatile.

*Page 53 Note 11 - Correction of Error Chairman*

Chairman Felton asked for clarification regarding the misstatement related to the recognition of revenue. Schlicker responded that at the close of the 2022 audit deferred inflow of resources were not logged as a cash receipt yet, so it was deferred to the 2023 fiscal year. However, when the sample was pulled for the audit, it was found that it was received in August 2022. It was concluded that this specific cash receipt was a fire bill.

**Page 64 - Actuarial Contribution Percentage**

Schlicker explained that the implicit contribution to the trust is \$185,000. Because the District allows active employees and retirees to be on the same plan, the District is charged a higher amount than if the retirees were not allowed to participate in the active plan.

**Page 65 - Schedule of Proportionate Share of the Net Pension Liability**

Schlicker discussed that PERS net position as a percentage of the total pension liability is 75.12%.

**Page 75 - Internal Control Report**

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This is a continuous finding from previous years for the District. The finding states concern for outsourcing our District financials to a third party. Eide Bailly creates the financials rather than being prepared internally. Chairman Felton requested clarification from Schlicker that our current practice of preparing financial statements is a legal process and is conducted by other government agencies. Schlicker responded that this is a conscious decision by the District and is a common practice. Schlicker stated that although it is a common practice, the finding still has to be communicated to the District and the public.

Trustee Noyes asked about *Page 78 Schedule of Findings and Responses* where it states that the District is not GAP compliant. How do we become GAP compliant? Schlicker responded that Eide Bailly's definition of GAP runs in line with the definition of Government GAP. Government GAP requires different revenue recognition rules than commercial GAP. The District considers itself a commercial GAP where we report receivables and revenue without consideration of the 60-day collections. If management decided to start keeping track of those 60-day collections and deferring those revenues, then the adjustments would be taken away and that would make the District GAP compliant.

Chairman Felton asked if there is a downside to the District switching to the Government GAP technique. Schlicker advised that he would be happy to work with FM Nolting-Bammer and Johnson on switching to this technique in the future if they were interested. Johnson responded that he is partial to having Eide Bailly do a confirmatory look at the revenue. He continued, stating that sometimes it's a deferral of collections from CalFire or USFS which is completely out of the control from FM Notling-Bammer and himself. Schlicker stated that the deferral this year was \$1.3 million, meaning that there was \$1.3 million that was receivable as of June 30<sup>th</sup>, 2023, but wasn't collected. Chief Lindgren clarified that a portion of the \$1.3 million was our NV Energy contract billing and also NDF fire billing, however the District is now back on track with NV Energy and NDF.

Chairman Felton agreed with Bill Johnson stating that having a second set of eyes on the financial statements is a great process. He asked if there is an advantage or does the cost outweigh the benefit of the District going to the governmental way of accounting? Johnson clarified the accounting process that we use stating that when the invoice is created, we book it to the financial statements. Schlicker responded that it is ultimately management's decision on continuing the same process with the auditors reviewing the revenue recognition and making the deferral entry every year, or he can work with FM Notling-Bammer and Johnson to help them get a process in place where they can do it themselves. Regardless of if they choose to do it themselves, there will still be financial preparation by Eide Bailly.

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Vice Chair Johnson asked Schlicker about what he's looking at for important categories. Schlicker responded that they should pay attention to "cash". You always need enough cash to make payroll.

Vice Chair Johnson asked if Schlicker has any recommendations for TDF to make our accounting processes better. Schlicker advised it would be beneficial to research investing in technology that we could improve the overall operations.

Trustee Murphy made a motion to approve the audit of the Fire District's Financial Statements for Fiscal Year 2022-2023 as prepared by Eide Bailly, LLP.

Second: Trustee Schussel

Motion Approved: 5-0

## **12. District Divisions**

### *Wildland Fire & Fuels - Division Chief Keegan Schafer*

New program for Defensible Space called *FireAside*. Working on getting the funding for it from the *Tahoe Fund*.

New Defensible Space Inspector, Max Johnson, will be onboard 04/01/24.

### *Administrative Division - ADO Kate Warner*

There will be an *Ice Cream Reception* after the Board meeting on April 17th.

The Wildland Fire & Fuels Division had three recipients of the 2024 Bruce Kanoff EMS Scholarship. Foster Saunders and Will Schultz will be attending paramedic school and Scott Cameron will be attending AEMT school.

HR Specialist Vindel is working on completing the Strategic Plan; the next step is for Division Heads and Chief Officers to update their sections.

The Admin team is developing a more streamlined orientation plan, including a PowerPoint presentation by District Specialist Keeton and HR Specialist Vindel

The District is entering the 3rd quarter with the new insurance.

Accounting Specialist French will be presenting updates regarding UKG at a later date.

Finance Manager Nolting-Bammer provided an update on the NDF fire billing system. In 2023, NDF rolled out a new fire billing system which required every agency to upload information through their new portal, however, the employees who implemented the new fire billing program left NDF causing their system to fall short in some areas which has delayed payments to the



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District. A new team is now in place, and FM Notling-Bammer and Accounting Specialist French will be attending quarterly meetings with NDF and all associated fire districts. FM Notling-Bammer believes that the new NDF team has an excellent plan in place to provide prompt invoice review and payment. NDF is in the process of approving all outstanding invoices, but then will have to ask for the money in April. Vice Chair Johnson thanked FM Nolting-Bammer and Chief Lindgren for the great stewardship of making sure that we are financially in good standing.

*Fire Prevention - Fire Inspector Jessica Garrison*

No questions.

Vice Chair Johnson thanked the Fire Prevention Bureau for their hard work with only having two Fire Inspectors working right now.

Chief Lindgren noted that Golden Nugget management team may be putting nearly \$200 million into the improvements on the Golden Nugget. Sunset Tower is currently unoccupied while they perform the remodel.

Inspector Garrison discussed the new Fire Science program at George Whittell High School for the 2024 -2025 school year. The two leads in the program are going to be Chief Cranch and Inspector Garrison, along with some guest instructors. Each grade level will get a different level of Fire Science curriculum as the first period of their day, four days per week. College credits can be earned as a career technology course.

Chairman Felton expressed his condolences for the loss of Julio the Reno Police Department EOD canine.

*Operations - Assistant Chief Bryce Cranch*

Chief Cranch presented photos of the fire apparatus that is in the shop at Fire Trucks Unlimited.

Trustee Schussel asked if the repeater antenna installed at Station 22 was an upgrade with better technology. Chief Cranch responded that the antenna itself is over 20 years old, but parts of it were inspected and then replaced.

**13. Review of Monthly Fire District Activities**

**No action will be taken.**

Fire Chief Scott Lindgren

Chief Lindgren advised that he attended the County Commissioners meeting for their second public meeting of their adoption of Title 20. Douglas County adopted Title 20.

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Evacuation Plan

1. The fire chiefs and law enforcement agencies at the lake have been doing a monthly meeting to create one basin-wide evacuation document.
2. It will be a working document that has a QR code, and it will tell users about the evacuation plan, reverse 911, shelter in place areas, perimeter solutions (<sup>4</sup>/<sub>5</sub> counties around the lake are using it).
3. Placer County is using *ZoneHaven* instead because they already have a system in place.
4. There is a follow up meeting on April 4th and then at the end of April there will be a public meeting.
5. Depending on the type of emergency, the app will determine what your evacuation route is.

Chief Lindgren is going to attend an evacuation workshop that is being put on by DEM and CALOES on Thursday, March 28th at the Tahoe Blue Event Center.

Chief Lindgren discussed the financial document that FM Nolting-Bammer created for the Fire Chief Report. All Trustees found the document helpful and informative.

Aramark and USFS will host a meeting on April 10, 2024, at George Whittell High School from 5:00PM to 7:00PM. Aramark will be discussing the potential development on the Eastern Shore.

**14. Public Comment**

Vice Chair Johnson thanked Trustee candidate Dan Kruger for attending the Board meeting.

Chairman Felton discussed the public safety pier. There is an upcoming meeting on the status of the application.

**15. Discussion:** Confirm next meeting, with a proposed date of Wednesday, April 17, 2024, with a start time of 2:30PM and possible agenda items.

**16. Adjourn**

Meeting Adjourned:

**Submitted by:**

Amanda Keeton  
District Specialist