

1 **NORTH LAKE TAHOE FIRE PROTECTION DISTRICT**
2 **BOARD OF DIRECTORS MEETING MINUTES**

3
4 **November 15, 2017**

5
6 **LOCATION:** 863 Tanager, Incline Village, Nevada.

7
8 **MEETING CALLED TO ORDER:** Chairman Perry called the meeting to order
9 at 12:00 p.m.

10
11 **ROLL CALL OF THE NORTH LAKE TAHOE FIRE PROTECTION BOARD OF**
12 **DIRECTORS:** Upon roll call, the following Board Members were present:
13 Dennis Perry, Chairman, Susan Herron, Vice-Chairman; Denise Bremer,
14 Secretary Treasurer; James Costalupes, Director; Greg McKay, Director; and
15 Beckie Dunn-Spomer, Secretary.

16
17 **GUESTS PRESENT:** Ryan Sommers, NLTFPD; Sharon Cary, NLTFPD; Devon
18 Reese, Legal Counsel; Bryan Calder, Assistant Fire Chief; Isaac Powning,
19 NLTFPD; Jordan Kohler, NLTFPD; Jay Euse, NLTFPD; Jeff Cutler, NLTFPD;
20 Dave Melkonian, NLTFPD; Tim Allen, NLTFPD; Scott Woodcock, NLTFPD; Jill
21 Anderson, NLTFPD; Alex Hughes, NLTFPD; Mike Roen, NLTFPD; Russell
22 Barnum, NLTFPD; Ken Leijon, NLTFPD; Erick Rodriguez, NLTFPD; Matt
23 Liguori, NLTFPD; Mark Regan, NLTFPD; Gail Krolick, Alpine Realty; Kendra
24 Murray, IVBOR; Tiffany Banks, Unreadable; Jim Nadeau, Carrara Nevada
25 Realtors; Kurt Schlicker, Eide Bailly; Felicia O'Carroll, Eide Bailly; Cathi
26 Colvin, IVBOR; Heather Lunsford, Carrara Nevada Realtors/IVBOR; Jenny
27 Reese, Carrara Nevada Realtors/IVBOR; Gene Murrieta, Resident.

28
29 **APPROVAL OF AGENDA:** Chair Perry moved Item 2 to Item 1. Agenda
30 approved with changes.

31
32 **NRS 241.020 RE: PUBLIC COMMENT: This is a Time for the Public to**
33 **Comment on any Matter, Whether or Not it is Included on the**
34 **Agenda of this Meeting.** None

35
36 **CONSENT AGENDA – Approved**

37
38 **Approval of Minutes of the September 20, 2017 Board of Directors**
39 **Meeting**

40
41 **Review of Accounts Payable for September 2017.**

42
43 **Approval of the September 2017 Monthly Management Report.**

44
45 **NEW BUSINESS:**
46

1 **1. Badge Pinning Ceremony of Thomas Kokenge, Firefighter**
2 **Paramedic- (Presented by Fire Chief Ryan Sommers)**

3 Fire Chief Sommers introduced Firefighter Paramedic Thomas
4 Kokenge. Firefighter Paramedic Thomas Kokenge came from Carson
5 City Fire Department as a lateral transfer. Firefighter Paramedic
6 Thomas Kokenge's mother pinned his badge.

7
8 **2. Discussion and Possible Action to accept the fiscal year 2016-**
9 **2017 audit report from Eide Bailly.**

10 Business Manager Sharon Cary introduced Felicia O'Carroll with Eide
11 Bailly, who were there to present the District's 2016 – 2017 Fiscal Year
12 Audit Report. Ms. O'Carroll said Eide Bailly issued an unmodified or a
13 "clean opinion," which is an opinion based on the District's prepared
14 financial statements, and the audit involves performing procedures to
15 obtain audit evidence about the amounts and disclosures in the
16 financial statements and to look at the District's internal controls. Ms.
17 O'Carroll pointed out the Positive Net Position in two of the three
18 Categories in this fiscal year's Financial Audit the District's net
19 Investment in Capital Assets of \$4.1 million which is an increase of \$.5
20 million from last year due to the purchases which include a loader and
21 one emergency vehicle. Ms. O'Carroll discussed the restricted fund
22 which is required by Nevada Revised Statute (NRS) to cover the debit
23 service fund; there is \$503 thousand in Debt service compared to
24 \$511 thousand last year. There is a negative \$2.3 million in
25 unrestricted compared to a negative \$3.5 million for last year which is
26 a decrease of \$1.1 million. Ms. O'Carroll reminded the Board of
27 Directors when looking at the District's noncurrent liabilities line item
28 to keep in mind, GASB (Governmental Accounting Standards Board)
29 No. 68 was implemented in 2014-2015 fiscal year and requires the
30 District to report its proportional share of unfunded PERS liabilities of
31 14.7 Million. This number is an estimate and is paid over time to the
32 Public Employees Retirement System (PERS) through their regular
33 monthly payment on behalf of the Districts employees. Ms. O'Carroll
34 introduced Kurt Schlicker Audit Manager with Eide Bailly, who has
35 been an Audit Manager for 7 years and has worked with multiple fire
36 district audits. Mr. Schlicker explained the Governmental Fund
37 Balance all accounts except the Ambulance Services Fund which is
38 accounted for differently, they increased by nearly a million dollars.
39 This was primarily the result of revenues in the General Fund
40 outpacing expenditures. The fund balance increased in 2016 by \$1.7
41 million with an overall ending fund balance of \$8 million. Mr. Schlicker
42 discussed the notes to the financial statements. Mr. Schlicker pointed
43 out a potential NRS (287.017) violation, related to arranging for audits
44 of your Post-Retirement Healthcare Plan and Trust and presenting
45 them to the Board for review annually. This violation is being
46 reviewed and an audit will be performed along with a variety of other

1 duties that should be reviewed and carried out concerning the Post-
2 Retirement Healthcare Plan and Trust. On note three he explained
3 cash and investments with a Detail of cash balances at \$8.4 million
4 ending the year very strong. The additions and deletions on note 4
5 represent the Capital asset purchases of rescue vehicles and a
6 Caterpillar loader. Mr. Schlicker talked about the change in statute that
7 will require Other Post-Employment Benefits (OPEB) retiree healthcare
8 to be recorded the Statement of Net Position, not just disclosed in the
9 notes; another \$8.5 million will be recorded as a long-term liability.
10 Budget to Actual Comparisons for each fund the Fund balance in the
11 General Fund increased by \$1.1 million compared to an increase of a
12 \$1.9 million last year.

13 Mr. Schlicker explained the finding of Financial Statement Preparation
14 reported as a "significant deficiency", the least serious of findings
15 reported to those charged with governance. There were corrections to
16 the financial statement and related footnotes which were required
17 during the audit. Putting these financial statements together is a major
18 undertaking and there are new accounting standards every year. This
19 year was tax abatements and pension changes and next year it's the
20 recording of other post-employment benefits. It gets more difficult to
21 stay current on all the changes, especially when you prepare full
22 disclosure financial statements only once a year. None of the changes
23 made were significant, but in combination, they needed to be
24 reported. This does not diminish from the fact that Business Manager
25 Sharon Cary takes this role very seriously. She is a joy to work with as
26 are all the District staff and is very gracious about our suggestions.
27 Ms. O'Carroll pointed out the healthy changes in the budget will cover
28 the potential repayment of the Use Tax Revolt with Washoe County
29 and the Residents of Incline Village and Crystal Bay litigation.

30 Ms. O'Carroll asked for questions from the Board. Director McKay
31 asked why the auditors had not found this issue with the potential NRS
32 (287.017) violation, related to arranging for audits of your Post-
33 Retirement Healthcare Plan and Trust in previous audits. Ms. O'Carroll
34 said Eide Baily was not aware of the trust because it was originally
35 formed through a lawyer not their office. Ms. O'Carroll said they are
36 working with Business Manager Cary to file the appropriate 990 form
37 and will assist with getting a reduction or forgiveness of any fines
38 associated with this violation.

39 Director McKay asked Director Bremer Treasurer how she felt the audit
40 went. Director Bremer said she feels Business Manager Cary and staff
41 is doing a great job.

42 Director Herron made a motion to accept the fiscal year 2016-2017
43 audit report from Eide Baily. Director Bremer seconded the motion.
44 Motion passed 5-0.

45

1 **3. Discussion of and Possible Action to approve the Memo of**
2 **Understanding (MOU) between the North Lake Tahoe Fire**
3 **Protection District and Incline Village Board of Realtors**
4 **(IVBOR). (Presented by Fire Chief Ryan Sommers)**

5 Fire Chief Sommers explained the MOU is accumulation of many hours
6 of collaboration with the committee which included the IVBOR, himself,
7 Director Bremer and Director Herron to find an alternative solution to
8 the proposal of resolution 17-1. The MOU proposes an educational
9 campaign over the next 2 years to educate the public and
10 management companies on health and life safety issues that have
11 been brought to the attention of the District. Chair Perry asked for
12 comments from Board members who were on the committee. Director
13 Herron said the committee went well; there was a lot of hard work to
14 get to an agreement acceptable to both parties. Director Bremer said
15 she agreed with Director Herron and is in favor of the MOU. Chair
16 Perry said he would like the wording changed from Residents to
17 Property Owners. Director Costalupes stated he was not in favor of
18 the two year time frame, he feels it is too long and wants to see faster
19 progress. He wanted to know who was going to be offering the
20 training, why there was no dollar amount listed, and what the content
21 of the education program would be. Director Costalupes also wanted
22 the wording the sentence "Rather than pass a resolution that will be
23 far-reaching and overly burdensome" to be removed he felt it was
24 harsh and unneeded. Devon Reese Legal Counsel answered, a MOU is
25 not a legal binding contract rather a loose set of aspirations and goals
26 for both parties to follow. The two year term is only a suggested time
27 frame for the MOU not how long before the education campaign will
28 start. He then said it is a good first step, and there will be periodic
29 reviews as lined out in the MOU and there will not be any financial
30 burden on the District. Director Costalupes said he applauds the
31 committee's efforts. Director Herron stated the dates for review need
32 to be pushed back do to the fact the first date is December and there
33 is not enough time to establish a plan and review.

34 Gail Krolick, President of the IVBOR said she is pleased with the
35 success of the committee and she agrees with the removal of the
36 sentence "Rather than pass a resolution that will be far-reaching and
37 overly burdensome". The IVBOR will be paying for the education in as
38 much \$100,000.00. Heather Lunsford with Carrara Nevada
39 Realtors/IVBOR said the education campaign will be in all types of
40 media and is looking forward to working with the committee and the
41 District to move this education campaign forward. Fire Chief Sommers
42 said thank you to the IVBOR and the committee for all their hard work.
43 He wants to make sure it is known the District's main concern is the
44 Life and Safety of the residents of Incline Village and Crystal Bay. Fire
45 Chief Sommers wants to make sure the IVBOR realizes he will not
46 blindside them with anymore resolutions. He then said he appreciated

1 all the hard work of Assistant Fire Marshal Regan. Director Herron
2 made a motion to accept the Memorandum of Understanding (MOU)
3 between the North Lake Tahoe Fire Protection District and Incline
4 Village Board of Realtors (IVBOR). Director Bremer seconded the
5 motion. Motion passed 5-0.

6 Heather Lunsford said she will make the changes to the MOU and send
7 them to Fire Chief Sommers and Chair Perry.

8

9 **OLD BUSINESS:** None.

10

11 **REPORTS**

12

13 ***Legal Counsel Reports:**

14

Nothing to report

15

16 ***Board of Directors' Comments/Reports.**

17

Nothing to report

18

19 ***Fire Chief Reports. (Fire Chief, Ryan Sommers)**

20

Fire Chief Sommers said he has received multiple thank you cards from the
21 Napa fire area.

22

Fire Chief Sommers said he is serving on many committees and now will be
23 serving the Nevada Threat Analysis Center.

24

The District has made three promotions in the last week: Isaac Powning is
25 now Division Chief, Captain Carol Green will be Battalion Chief Green, and
26 Assistant Fire Marshal Mark Regan will be Fire Marshal Regan.

27

28 ***Chief Officers Report (Assistant Fire Chief, Bryan Calder)**

29

Assistant Fire Chief Calder said the crews have been working on Extraction
30 training and had an electric car at the last training to familiarize the crews
31 with the differences needed for this type of extraction.

32

The Captains academy went well and the District will be having a Captains
33 test in mid-January.

34

The 22nd Annual Paramedic Refresher is moving along with over 200
35 registered for this lecture year.

36

37 ***Fuels Management Reports. (Fuels Management Officer, Isaac Powning)**

38

Isaac Powning stated the seasonal crews have been thinning and cutting
39 approximately 60 acres. The chipping numbers for this year are as follows:

40

In District this year there were 428 compared to last year's 129. North
41 Tahoe District had 969 compared to 420 from last year.

42

The crews were able to burn some of the Forest Service urban lots.

43

Fuels Hand crews had 148 days away from District this year, single resource
44 was at 115 days and 25 of those were in the Virgin Islands for Hurricane

45

46 Maria.

1 The District has billed out more than \$1.8 Million in fire expenses this year.
2 The crews were able to get 19 new training certificates this year as well.
3 The seasonal crews will be ending on November 22, 2017; there will be 8
4 fuels team members remaining.

5 Isaac Powning thanked Director McKay for his donation to the end of year
6 festivities for the fuels department.

7

8 ***Business Manager Reports. (Business Manager, Sharon Cary)**

9 Business Manager Cary said she wanted to thank her staff for all the hard
10 work they put in on the Audit this year.

11

12 ***Public Education Information Officer Reports. (Public Education
13 Information Officer, Tia Rancourt)**

14 Report will be emailed to the board.

15

16 ***Local 2139 Union Reports.** No Report

17

18 **NRS 241.020 RE: PUBLIC COMMENT. This is a time for the public to
19 comment on any matter, whether or not it is Included on the agenda
20 of this meeting.**

21 Gene Murrieta commented he does not want the District to endorse vacation
22 rentals he feels it is not in the Districts best interest and feels it will be a
23 detriment to the community as a whole.

24 Kathy Goldman said the group who worked on this proposal were a fantastic
25 bunch and cooperated well together on this difficult situation.

26

27 Fire Chief Sommers explained Isaac Powning has been away with his
28 incident management team in St. Croix, Virgin Islands working with FEMA
29 helping the victims of hurricane Maria.

30

31 **Meeting Adjournment.**

32 Chair Perry adjourned the meeting at 10:00am

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37 _____
Beckie Dunn-Spomer, Secretary

Dennis Perry, Chairman