

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

May 22, 2024

LOCATION: 863 Tanager, Incline Village, Nevada.

MEETING CALLED TO ORDER: Chair Herron called the meeting to order at 12:00 p.m.

***Roll Call of the North Lake Tahoe Fire Protection District Board of Directors:** Upon roll call, the following Board Members were present: Susan Herron, Chair; Charley Miller, Vice-Chairman; Director, Greg McKay, Director; James Costalupes. Absent, Denise Bremer, Secretary-Treasurer.

***Guests present:** Fire Chief, Ryan Sommers, NLTFPD; Assistant Fire Chief, Russell Barnum, NLTFPD; Chief Financial Officer, Jackie Signorelli, NLTFPD; Board Secretary/Administrative Assistant, Andreina Quiroz, NLTFPD; PIO Tia Rancourt, NLTFPD; Logistics Manager, Alan Green, NLTFPD; Compliance Officer, Erick Rodriguez, NLTFPD; Battalion Chief Jed Horan, NLTFPD; Captain Dale Spieker, NLTFPD; Engineer Brian Maples, NLTFPD; Gues, Jamie Roice-Gomes, Living with Fire.

Approval of Agenda: Approved as submitted.

***NRS 241.020 RE: Public Comment. This is a Time for the Public to Comment on any Matter, Whether or Not it is Included on the Agenda of this Meeting:**

No Public Comment.

CONSENT AGENDA: Approved as submitted.

Approval of Minutes of the April 17, 2024, Board of Directors Meeting.

Review of Accounts Payable for April 2024.

Approval of the April 2024 Monthly Management Report.

NEW BUSINESS

- 1.** Discussion of and Possible Action to Proclaim the period of May – October 2024 as, Lake Tahoe Wildfire Awareness Campaign, presented by Chief Sommers and Jamie Roice-Gomes.

1
2 Chair Herron asked Jamie Roice-Gomes, Manager of the University of
3 Reno (UNR), Extension's Living with Fire Program to open the agenda
4 item as Chief Sommers is excused from today's Board meeting.

5
6 Ms. Roice-Gomes explained that she and Chief Sommers decided to
7 present the proclamation before the Governing Boards instead of the
8 Washoe County Commissioners due to their lengthy meetings.

9
10 Ms. Roice-Gomes moved to explain the dangers of wildfire and the
11 reasons behind the creation of the campaign in 2006. Ms. Roice-
12 Gomes stated this year the message is, "Get Defensive," it is a call
13 to action for residents to prepare for wildfire and create defensible
14 space. Ms. Roice-Gomes provided tips residents can do in preparation
15 for a wildfire.

16
17 Chair Herron stated she would entertain a motion.

18
19 Director McKay moved to Proclaim the period of May – October 2024
20 as Lake Tahoe Wildfire Awareness and agree to the proclamation as
21 listed on page 17.

22
23 Secretary-Treasurer Bremer seconded the motion.

24
25 No further questions, Chair Herron called the question.

26
27 Motion passes unanimously.

28
29 Chair Herron signed the Proclamation.

- 30
31 **2.** Discussion of and Possible Action to Adopt the North Lake Tahoe
32 Fire Protection District's Fiscal Year 2024-2025 Budget, as
33 presented at the April 12, 2024, Board of Director's Budget
34 Workshop, presented by CFO Signorelli.

35
36 Chief Financial Officer (CFO) Signorelli explained some changes
37 were made to the budget and she will be explaining the changes.

38
39 CFO Signorelli had Compliance Officer Erick Rodriguez explain that
40 Nevada Division of Forestry (NDF) advised that approximately 66%
41 of the outstanding fire billing (FB) has finally been paid, with \$1
42 million still outstanding.

1 CFO Signorelli stated that since \$2 million has been paid although
 2 originally NDF only had \$450,000 to pay us what CFO Signorelli did
 3 was leave the \$450,000 and pushed the rest to FY 25 and added
 4 this was timing issue. CFO Signorelli explained that she now shifted
 5 the money back to FY 2024 and said this does not change the
 6 ending fund balance, it is just a timing issue between one year to
 7 the next.

8
 9 CFO Signorelli provided a top-level overview; and went over the
 10 following changes:

11
 12 Governmental Accounting Standards Board (GASB) 101,
 13 compensated absences; GASB 101 does not take effect until next
 14 year therefore no impact to ending balance in FY24. CFO Signorelli
 15 explained compensated absences are associated with sick leave,
 16 vacation leave, military leave and compensatory time. CFO
 17 Signorelli explained that prior, the leave balances mentioned were
 18 allocated at the government wide level and when done at the
 19 government wide level, the General Fund (GF), capital fund, debt
 20 service fund are all encompassed into a net number on the audited
 21 Financial Statements (FS). CFO Signorelli explained that next year,
 22 compensated absences have to be recorded inside of the GF. CFO
 23 Signorelli explained this will add to the GF \$2.4 million. CFO
 24 Signorelli advised this has always been tracked in the Ambulance
 25 fund tracked as proprietary funds and explained that while this has
 26 been recorded in the past, what has not been recorded is
 27 compensatory time causing an impact. CFO Signorelli added that
 28 we will need to hire an actuary next year because it is about the
 29 timing of when the compensatory times will be paid out, in the
 30 future pay rate if determinable. CFO Signorelli stated she added a
 31 little of her interpretation and analysis but stated this will have to
 32 be done for the FS when they are audited.

33
 34 CFO Signorelli stated that the normal salaries and wages were at
 35 \$12.4 million and have increased to \$14.6 million and advised this
 36 is a paper transaction, as the district is not expected to pay out,
 37 \$2.4 million in the next FY, but that is our actual liability if we were
 38 to shut down or if every employee was to buy out of all their
 39 balances. CFO Signorelli explained that the ambulance fund was
 40 \$176,000 and although recorded in the FS it was not included in the
 41 budget until now.

42
 43 CFO Signorelli adjusted some benefits on the employee benefits line
 44 and salaries and wages to reflect the ongoing negotiations with

1 Local Union 2139 although they have not been finalized, the
2 adjustment reflects more closely what the agreement is to date.

3
4 CFO Signorelli stated the district is flipped this year, meaning
5 revenue is less than our expenses. CFO Signorelli went back and
6 searched for where the district can reduce additional expenses and
7 CFO Signorelli found an additional \$69,336.

8
9 The revenue shift was moved back due to timing issue.

10
11 Beginning fund balance; CFO Signorelli made an error and
12 explained that when she originally pulled the FS, she accidentally
13 used the incorrect fund number and advised this has been adjusted.

14
15 Federal Emergency Management Agency (FEMA) grant expenses;
16 CFO Signorelli had incorporated revenue, and explained this had to
17 do with FY24, not the budget FY25, as it is timing issue, that affects
18 the ending fund balance. CFO Signorelli explained the \$1.7 million
19 expense was not put in the budget for FY 24 because it was
20 expected to arrive in FY23. CFO Signorelli stated everything was in
21 FY23 and was then pushed to FY 24 which then rolls into fund
22 balance and reflects at the beginning fund balance of FY25. CFO
23 Signorelli reiterated this is a timing issue and advised that likely a
24 budget augmentation would need to be done for the revenue that
25 came in as the revenue will be higher than expected. CFO Signorelli
26 advised she is working with the Nevada Department of Taxation
27 and advised this would hopefully not need to be done for the FEMA
28 expenses, as the net expenses are less than what we budgeted.

29
30 CFO Signorelli updated the forecast for the FY end 24 and adjusted
31 accordingly.

32
33 Ambulance transfer was updated for FY25 based on what is
34 expected through the ambulance fund and explained the historical
35 transfer of \$1.6 million. Compensated absences as discussed earlier
36 and changes to salary and benefits reflecting the Collective
37 Bargaining Agreement (CBA) changes and additional adjustments to
38 reflect closer than actual, when possible, for FY25 and FY24.

39
40 CFO Signorelli asked if there were any questions.

41
42 CFO Signorelli explained this is where the district is sitting for the
43 next year and advised there is a decrease in revenue. CFO
44 Signorelli explained that looking at the budget from last year for FY

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24 and the budget for this year for FY24, in grant revenue there is a \$1.7 million increase for FEMA grant expenses as well as other fuels grant expense so that is being recorded appropriately under grant reimbursement instead of just fuels making it a split now. CFO Signorelli referred back to the budget workshop and reiterated that fuels is a lower amount than normal as issues with NV Energy in FY24 caused major issues with timing, work orders and this had a big impact. CFO Signorelli and Compliance Officer Rodriguez advised worked to foresee what FY25 would look like, the reality of the situation and they have conservatively budgeted at a lower rate this year that decreases the overall back to where historically the district has been.

Salaries and wages; increased due to the overall annual increase for all salaries and wages, the Cost-of-living Adjustment (COLA) increase. The benefit line increased but is lower than last year due to being guaranteed no increase for two years for some benefits. Compensated absences are also included and expensed in salaries and wages.

Contingency remains the same.

Capital projects are based on the on the capital fund account and transfers in. CFO Signorelli explained how transfers in worked and advised there were no changes from the budget workshop to now.

CFO Signorelli asked if there were any questions.

CFO Signorelli referred to the capital expenditures in the ambulance fund, there is an estimated acquisition of capital assets of \$459,000 and said this would be for the ambulance purchase remount and Zoll series monitors. CFO Signorelli advised the capital assets are in the budget binders and there have been no changes since the budget workshop.

CFO Signorelli advised Debt Service remains the same since the workshop.

Property tax refunds and interest have not changed either, with an estimate of \$200,000.00

Ambulance Fund has always been budgeted at 50% of total gross revenue is budgeted for allowances and bad debt based on historical trends and audit regulations. CFO Signorelli explained this

1 was consistent throughout and explained this includes contractual
2 agreements and bad debt. CFO Signorelli advised there is
3 committee working to improve bad debt and reiterated there were
4 no other changes in the ambulance fund.

5
6 CFO Signorelli discussed the district net pension and expense
7 liability. The district has a net pension expense of \$140,000 which
8 will be reported on FS statements and included in the budget. This
9 expense is required by GASB regulation but might not result in
10 actual cash payment. It is essentially an accounting allocation. The
11 district's total net pension liability is approximately \$21 million. This
12 amount represents a potential obligation if all district employees
13 were to be paid out at once, but it is highly unlikely that this would
14 occur.

15
16 CFO Signorelli reiterated that if changes were made in the
17 Operations Suppression account or Professional in the Admin
18 account, this flows into the ambulance fund at 23%. CFO Signorelli
19 said ultimately the ambulance fund balancing.

20
21 Statement of cash flows, the compensated absences was moved to
22 other line item, and compensated absences and the net pension
23 expense are part of the \$315,000 listed and CFO Signorelli said this
24 helps with the cash flow.

25
26 Overall analysis combines the general and ambulance fund together
27 therefore the total revenue for the district is a decrease of 9%,
28 personnel cost has an increase of 13%, services decreased where
29 appropriate, and the contingency fund. CFO Signorelli referred to
30 the amount listed for net revue loss for FY25.

31
32 The approved salary plan did change as some of the numbers were
33 not flowing, CFO Signorelli updated it today and advised mostly
34 everything stayed the same from FY24 as far as the base except for
35 the CBA agreement, the increase is by the estimated CBA.

36
37 5-year plan, CFO Signorelli expressed concern about the financial
38 outlook for the next FY. CFO Signorelli advised there are many
39 factors with a few unknowns, particularly fuels revenue as we do
40 not know how much will receive from fuels. CFO Signorelli said the
41 only thing we do know are the estimates from taxes, sales and use
42 estimates, and local government tax. CFO Signorelli referred to this
43 year's budget and said that salaries and benefits are higher than
44 revenue estimated as are services and supplies. CFO Signorelli

1 advised there are issues and said transfers into ambulance, debt,
2 capital, contingency, tax payback that hopefully will not be used,
3 we will save another \$400,000 which gets us to \$1 million, however
4 our problem is still not solved. CFO Signorelli advised we need to
5 figure out what happens, and if we look at the estimate for FY24 in
6 budget, the total and net change, we beat it this year which is great
7 as we budget high, so we do not have to do budget augmentations
8 or go over budget as that causes problems therefore, we budget for
9 worst case scenario. CFO Signorelli stated that to beat the budget
10 and make it better, we must figure out a way.

11
12 CFO Signorelli advised she is working to hire an accountant as
13 previously spoken about in the budget as the idea is to have the
14 month close done in a timely manner. CFO Signorelli advised she
15 would like to compile a financial committee that consists of a
16 representative from every department within the district to meet
17 monthly along with Secretary-Treasurer Bremer to review the
18 financials, see where the district stand and solve problems so that if
19 we need to pull triggers we know where to pull them. CFO Signorelli
20 recognized the job is to manage this and figure out where we can
21 reduce and look at options.

22
23 CFO Signorelli advised that was the budget and asked if anyone had
24 any questions or if anyone wanted CFO Signorelli to go into any
25 further details.

26
27 Director McKay moved to approve the Adoption of the North Lake
28 Tahoe Fire Protection District's Fiscal Year 2024-2025 Budget.

29
30 Director McKay complimented everyone for doing a good job, trying
31 to do the best they can with what they have. Director McKay stated
32 he does not believe there is much austerity and said he would be
33 much more comfortable if there was some type of BOD meeting
34 with appropriate staff and committees to find what expenses and
35 trends, we cannot control versus what we can control. Some by our
36 own self-imposed standards to see if we can reduce expenditure
37 while not degrading any services.

38
39 Chair Herron proposed a Board workshop with key staff in July to
40 discuss FY 2025-2026, because the ending numbers as there are
41 things that need to be talked through and hard decisions need to be
42 made for the next FY. Chair Herron stated she agrees with Director
43 McKay to approve the 2024-2025 budget as presented. Chair

1 Herron added she too thinks everyone has done a great job but
2 knows we need to face the facts.

3
4 Secretary-Treasurer Bremer stated she agrees with what has been
5 said and added that there are upcoming issues that need to be
6 addressed.

7
8 Secretary-Treasurer Bremer made a motion to approve the North
9 Lake Tahoe Fire Protection District's Fiscal Year 2024-2025 Budget
10 as presented.

11
12 Director McKay seconded the motion.

13
14 Vice-Chair Miller recognized staff for doing a great job and added
15 that as other Directors had mentioned, there are issues. Even with
16 underspending, the trajectory of underspending is not enough to
17 cover the debt that is accumulating over time. Vice-Chair Miller
18 explained though there is water coming in and water coming out,
19 right now water is going out faster than it is coming in. Vice-Chair
20 Miller explained revenue and expenditure; revenue is controlled a
21 little bit by us, but we only have a little bit to move without some
22 other big action. Expenditures is salary, benefits, and capital, labor
23 negotiations, capital is looked at as well but ultimately for us to be
24 responsible fiduciaries and sustain the district, we need to look
25 deeply at how we are going to be sustainable for the future. Vice-
26 Chair Miller would like to let everyone know he is deeply concerned
27 about the sustainability of the district and moving forward whether
28 that is raising taxes and doing to a tax measure. Vice-Chair Miller
29 explained that it takes time to do things and evaluate what is
30 sustainable. At the moment even if we come under budget, we are
31 overspending. Although this is not unique to us, this is the one that
32 can be controlled, and we need to look collectively. Vice-Chair Miller
33 likes CFO ideas of bringing in departments, special meetings, to
34 collectively figure this out together. Vice-Chair Miller reiterated this
35 is concerning and does not want to be here next year without
36 having a plan to change the trajectory to show that we are
37 sustainable and good fiduciaries for the district.

38
39 Director Costalupes stated he thinks about the major purchases the
40 district makes. Director Costalupes stated union salaries cannot be
41 manipulated, and suggested reducing acquiring rolling stock that
42 needs to be upgraded and maybe overreaching by having to
43 upgrade rolling stock. Director Costalupes said it comes down to
44 more than just stopping purchasing items, it is a big picture.

1 CFO Signorelli replied it is easier to manage when we know what
2 revenue is coming in and if we have a better idea what is incoming
3 each month and understand current expenses and make the hard
4 executive decisions to push things off until more revenue is coming
5 in the door. CFO Signorelli added that her goal is a zero-budget
6 balance and improve on that.

7
8 Chair Herron stated she recommends the July meeting as it gives
9 Staff time to close out FY as she knows there is a lot of work that
10 goes on in June. Chair Herron stated the BOD recognizes that
11 everyone is working hard, and everybody did a great job with the
12 budget and recognized that CFO Signorelli is finding things that
13 have been overlooked and believes that when she calls the
14 question, CFO Signorelli will obtain a 5-0 vote to pass the budget.

15
16 Chair Herron called the question.

17
18 All in favor, motion carried.

19
20 Chair Herron congratulated CFO Signorelli.

21
22 ***Legal Reports**

23
24 No report.

25
26 ***BOD reports**

27
28 Chair Herron will work on a special meeting date for a July meeting during
29 the June BOD meeting.

30
31 ***Fire Chief Report presented by Fire Chief Sommers.**

32
33 Chief Sommers attended the meeting virtually and sent in the following
34 report to Chair Herron:

35
36 Thank you to the BOD for passing the budget and looks forward to guidance
37 with future years in regards to the budget.

38
39 Chief Sommers will be testifying in front of the Legislative Oversight
40 Committee of Tahoe Regional Planning Agency (TRPA) for the Basin Wide
41 Evacuation Plan on June 7th.

42
43 ***Chief Officers Report presented by Assistant Fire Chief Barnum.**

44

1 AFC Barnum reported on the following,

2

3 Training, focus of the month is water rescue, with qualifying more boat
4 operators. The boat and jet ski have been placed in the water and are
5 available to respond. Working on planning for the 4th of July weekend and
6 how that will be addressed with a lot more people in the water than in the
7 past couple years.

8

9 Fleet, all our first outs are all in service.

10

11 Emergency Medical Services (EMS), it is EMS week, and AFC Barnum stated
12 that the people of NLTFPD come to this job without knowing what they are
13 going to phase each day and said this is 88% of what employees do and
14 each time they go out, they have to remain the coolest they possibly can in
15 difficult situations. AFC Barnum recognized that EMS week is one of those
16 times we have the opportunity to say thank you, talk about resiliency and
17 how to get through difficult events and at the same time talk about how the
18 district can get better, and how to address challenges in the future. AFC
19 Barnum took a moment to thank all staff, as EMS is a very important part of
20 what the district does, and the constituents of this department demand the
21 best treatment and AFC Barnum feels that we deliver.

22

23 Chair Herron stated she agreed and thanked everyone for a good job.

24

25 ***Prevention Report presented by Fire Marshal James.**

26

27 Report has been submitted as part of the BOD packet.

28

29 ***Fuels Management Report as presented by Division Chief Powning.**

30

31 Report has been submitted as part of the BOD packet.

32

33 Vice-Chair Miller inquired if any staff saw the burn bot demonstration.

34

35 Compliance Officer Rodriguez stated he saw the demonstration.

36

37 Vice-Chair Miller asked if it was effective and inquired on the mechanically
38 operated masticator on terrain.

39

40 Compliance Officer Rodriguez responded that the burn Bot can go up to
41 slopes of 60 degrees and although they did not see that, they did see it on
42 steep slopes, and it was managed by two people via remote control.

43

44 Vice-Chair Miller inquired about any burning.

1 Compliance Officer Rodriguez stated the burning demonstration is
2 anticipated for the fall, and from what he has seen there are great
3 applications for the equipment.

4
5 Director McKay inquired on the cost for a burn bot.

6
7 Compliance Officer Rodriguez stated the developer will not share financial
8 information.

9
10 Vice-Chair Miller inquired on renting it.

11
12 Compliance Officer Rodriguez replied potentially it could be contracted

13
14 Director McKay asked if the bot was faster than a hand crew treating the
15 same ground and limitations.

16
17 Compliance Officer Rodriguez stated he believes there is application for both
18 types of resources, fire response and fire suppression activities, potentially.
19 Compliance Officer Rodriguez added that with hazardous fuels reduction our
20 crews conduct these burn bots cannot compliment the work the crews
21 perform and does not believe that in every scenario the bot can replace FF,
22 it will be supplemental to the type of work we do.

23
24 ***Chief Financial Report presented by Chief Financial Officer Signorelli.**

25
26 Report has been submitted as part of the BOD packet.

27
28 CFO Signorelli stated she appreciates the BOD passing budget and stated her
29 goal is to continue to work on financial accuracy and collaborating to move
30 forward.

31
32 CFO Signorelli advised the June BOD meeting will need to be moved from June
33 19th to June 26th as June 19th is the Juneteenth Holiday.

34
35 ***Public Education Information Officer Report presented by PIO**
36 **Rancourt.**

37
38 Report has been submitted as part of the BOD packet.

39
40 Public Information Officer (PIO) Rancourt thanked the on-duty crews for
41 assisting with tours at Incline Elementary School (IES) during EMS week
42 with more tours scheduled for next week.

43
44 Burn Bot, a press release and video clip of the demo day is being worked on,

1 as everything went very well and impressive as a 22-acre plot was done in
2 two days.

3
4 No further questions.

5
6 ***Local Union 2139**

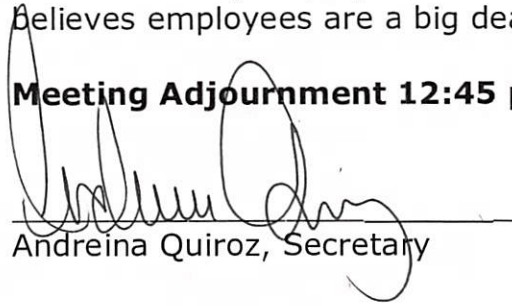
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8 Union President Dale Spieker reported a re-stock of t-shirts that will be sold
9 at pancake breakfast with proceeds donated to the Northern Nevada
10 Children’s Cancer Foundation (NNCCF).

11
12 Guns and Hoses Gold Tournament was held in Reno last month, where over
13 \$34,000.00 was raised and Local Union 2139 sponsored four people to
14 attend.

15
16 ***NRS 241.020 RE: Public Comment. This is a Time for the Public to**
17 **Comment on any Matter, Whether or Not it is Included on the Agenda**
18 **of this Meeting.**

19
20 Chair Herron congratulated district on EMS week and said the BOD appreciates
21 each and every employee and although passing budget is a big deal, the BOD
22 believes employees are a big deal.

23
24 **Meeting Adjournment 12:45 p.m.**

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28 Andreina Quiroz, Secretary

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32 Susan Herron, Chairman

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