

TAHOE DOUGLAS FIRE PREVENTION DISTRICT
BOARD OF TRUSTEES MEETING
November 15, 2017

Those Present:

Chairman Bill Kirschner
Vice Chairperson Ann Grant
Trustee Greg Felton
Trustee Kevin Kjer
Trustee Larry Schussel (via phone)
Legal Counsel Devon Reese (via phone)
Fire Chief Scott Baker
Assistant Chief Jim Antti
Battalion Chief Todd Moss
Battalion Chief Rich Nalder
Battalion Chief Ralph Jones
Fire Marshal Eric Guevin
Forester John Pickett
Crew Foreman Matt Fogarty

Office Manager Kate Warner
Accounting Specialist Carrie Nolting
Administrative Assistant Erin Allison
Mechanic Gregg Gemmet
Captain Chuck Salerno
Engineer Kevin Crebs
Engineer Nathan Johnson
Firefighter/Paramedic Alex Dennis
Firefighter/Paramedic Scott Vandover
Firefighter Juan Serrano
Guest Kristen Chinvarasopak
Guest Chad DuMars
PRT Trustee Bill Johnson

1. Call to Order.

Meeting was called to order at 2:30 p.m.

2. Pledge of Allegiance.

Pledge of allegiance was led by Vice Chairperson Grant.

3. Roll Call.

Chairman Kirschner, Vice Chairperson Grant, Trustee Felton, and Trustee Kjer were present. Trustee Schussel was present via telephone. A quorum was present.

4. Approval of the Agenda.

Vice Chairperson Grant motioned to approve the agenda. Trustee Kjer seconded the motion. Motion approved 5-0.

5. Public Comment.

Chad DuMars, Lake Assault Boats

DuMars thanked the department for the confidence and the trust in Lake Assault Boats and their ability to design a vessel to meet our needs and specifications.

Lake Assault has a tradition to present the new owners with a plaque that was cut from the fabrication materials, embossed with a silhouette of the vessel, and then signed by the Lake Assault employees who were involved with building it. DuMars presented this plaque to Chief Baker.

Chief Baker thanked DuMars and Lake Assault for their partnership on this build, for letting the Chief drop in, and for hosting our personnel for inspections.

6. Board Trustee Comment.

Vice Chairperson Grant thanked FF/P Hamann and FF/P Gooch for teaching bandaging at CERT training.

Trustee Felton thanked the department for hosting all of the blood drives. It is an amazing public service that is provided.

Chief Baker gave kudos to Office Manager Warner and Administrative Assistant Allison for coordinating the blood drives.

7. Approval of the Consent Calendar.

Items:

- a. Approval of Minutes 10/25/17
- b. Monthly Expenditures
- c. Financial Statements December 31, 2016, 2015 Tahoe Douglas Fire Post-Retirement Trust
- d. Tahoe Douglas Fire Protection District Post-Retirement Plan 2016 Income Tax Return

Trustee Felton motioned to approve the Consent Calendar items "a" and "b". Trustee Kjer seconded the motion. Motion approved 5-0.

8. For Possible Action: Consent items moved forward.

Item "c" – Financial Statements December 31, 2016, 2015 Tahoe Douglas Fire Post-Retirement Trust

Trustee Felton asked if the management discussion and analysis is missing because we requested not to complete it or whether there was no discussion and analysis.

PRT Trustee Johnson responded that this is a standard component of the audit, however, the Trust opted out because it is extensive work and increases the cost. In the case of the Trust, which is pretty straight forward, it would not give any extra insight.

Trustee Felton asked why there is a discrepancy in the amount which has been funded of \$6.5 million and the \$10 million we actually have invested with RBIF (page 10).

PRT Trustee Johnson responded that funds are invested at RBIF, which is managed monies by the state, which causes an increase in market value of the securities. The \$6.5 million is hard dollars we have put in over time. The \$10.2 million in the latest report includes the money from RBIF. We have not taken any monies out of the RBIF account.

Item “d” – Tahoe Douglas Fire Protection District Post-Retirement Plan 2016 Income Tax Return

Trustee Felton asked if the money for retiree benefits is still being paid by the District and not the Post-Retirement Trust fund (page 10).

PRT Trustee Johnson responded that later on the agenda, there is a proposal for a change in procedures. If both boards agree, the change would direct the District to transfer money to the Trust fund and direct the Trust to take over payments for retiree benefits.

Trustee Felton motioned to approve the Consent Calendar items “c” and “d”. Vice Chairperson Grant seconded the motion. Motion approved 5-0.

9. Presentation: Employee Recognition.
Fire Chief Scott Baker

Chief Baker recognized the following employees for their military service in recognition of Veterans Day:

- FF/P James Ward – United States Air Force and current member of National Air Guard
- FF/P Greg Koeck – United States Navy
- Engineer Paul Apple – United States Army
- Mechanic Gregg Gemmet – United States Marine Corps
- Captain Kevin Green – United States Army
- Assistant Chief Jim Antti – United States Marine Corps
- Fire Chief Scott Baker – United States Air Force
- Trustee Larry Schussel – United States Army
- Trustee Bill Kirschner – United States Navy
- Forester John Pickett – United States Air Force

Chief Baker recognized Mechanic Gregg Gemmet for his 19 years of service and pinned him with a new badge; the mechanic position had not been badged in the past.

10. Presentation: Update on Governmental Accounting Standards Board – GASB 74 – changes and related concerns to the fire district and the Post-Retirement Trust reporting.
Kristen Chinvarasopak, Eide Bailly

The GASB has established a new standard around other post-retirement benefits that will take effect December 31, 2017.

The primary change is the specification in the definition of a “plan” and a “plan and trust.” The Fire District has a trust legally in place that is recognized by the IRS. Under this new GASB requirement, in order for the Trust to qualify as a plan for financial reporting purposes, benefits need to be paid out of the Trust once they become due in order for the assets (RBIF investments) to count towards the actuarial valuation. The Trust could be facing a larger obligation if the assets are not counted toward the valuation.

The Board of Trustees and the Post-Retirement Board need to decide how to administer the Trust going forward.

Chairman Kirschner asked if this is an accounting measure to make sure the assets go into the fund so that we get credit for the funds in the actuarial valuation.

Chinvarasopak responded yes, and it will affect the discount rate. Investing through RBIF gives the District a higher discount rate. The higher the discount rate, the lower the obligation because District funds are growing with strong returns that will be used to pay those retiree benefits.

Chief Baker commented that to count the money for financial reporting purposes, the PRT Trust would qualify if the expenses for retiree benefits are paid by the PRT Trust. The District would transfer the money into the Trust, and the Trust would reimburse the District or pay carriers directly.

PRT Trustee Johnson commented that we have a large valuation with RBIF, and we will have a rather large liability if that is not included in the valuation. It is better to qualify for the plan and include the assets so that the obligation will be lower and more representative of the correct numbers.

Trustee Felton asked if at some point we could make payments for retiree healthcare out of the assets that are in the RBIF, and if we decide to do that, what the implications would be.

PRT Trustee Johnson responded that we can make withdrawals, but the intent of the fund was to remain intact (benefitting from a very strong return). The future funding transfers from the District to the PRT will now go towards the actual payment of all the expenses related to retiree benefits.

11. For Discussion and Possible Action:

Discussion and possible action for Resolution #09-2017 for provisional funding of up to \$333,333.00 of the Post-Retirement Trust on or before December 31, 2017 to meet GASB 74 requirements for 2017.

Fire Chief Scott Baker

Chief Baker explained that during the audit, we were informed of the changes that need to be made to meet the new standards. This money will transfer to the Trust, and then be paid back the District to cover the expenses paid to date for the retiree benefits this fiscal year. Going forward, the PRT Trust will write the checks for retiree healthcare benefits.

PRT Trustee Johnson restated that the recommendation is that the District continue quarterly transfers of \$333,333 so that the RBIF investment would remain intact, thus positioning the Trust to be in compliance with GASB 74 and ensuring that the actuarial valuation would be as accurate as possible.

Trustee Felton asked to clarify that in the past, the Fire District has been making transfers from the District to the Trust fund for the purpose of investing with RBIF. Now, the District will be funding the Trust for the purpose of directly paying the retiree benefits expenses. Chief Baker responded that the District has been putting money into the Trust for retiree benefits, so this change is not any additional money, just a different process.

Trustee Kjer asked if moving forward, we will have a resolution to approve the transfer every few months or if this will be a new practice.

Chief Baker responded that the intent is to come to the board every time for approval. PRT Trustee Johnson commented that after the insurance renewals in January, we will know how much the total benefit cost is, and we could make a motion for the whole year.

Vice Chairperson Grant asked if the District would only be funding for benefits once the RBIF is fully funded.

Chief Baker responded that the RBIF is the investment, and the PRT is the funding, so it would create a huge liability if we did not. This will be discussed at a later date.

Trustee Kjer motioned to approve resolution #09-2017 for provisional funding of up to \$333,333.00 of the Post-Retirement Trust on or before December 31, 2017 to meet GASB 74 requirements for 2017. Vice Chairperson Grant seconded the motion. Motion approved 5-0.

12. Report Item: Review of Monthly Fire District Activities.
Fire Chief Scott Baker

Chief Baker recognized the following employees for their years of service:

- Mechanic Gregg Gemmet – 19 years of service
- Engineers Paul Apple, Kyle Fine, and Justin Reddig, and Firefighter/Paramedic Scott Vandover – 5 years of service
 - Apple and Vandover just completed training to become certified haz mat technicians
 - Fine has been working on the new fire boat

- Reddig has been the Recruit Training Officer at the academy for the past three months

As discussed with the board in the past, POOL/PACT provided an opportunity for the District to participate in a cyber security audit, which was completed this month.

Office Manager Warner commented that our IT tech sat in with the audit team and it was very educational for everyone. No serious concerns were found, though opportunities for better security were discussed. A full report documenting these recommendations will be provided at a future meeting.

Chief Baker explained that the State Department of Emergency Management received a grant for IDs with CAC encrypted codes, so you have to have your card to log into your computer. Chief Moss led this for us, and all EOD members and chief officers are signed up. The District has volunteered to have the entire organization to take part.

Trustee Felton asked if the cyber audit team tried to break into our system. Office Manager Warner responded yes, they viewed it externally first, then they tried to get in on the dark web. We will be addressing small things that came up. They also walked the buildings, checked the wireless systems, and checked the internet.

Chief Baker thanked everyone who participated in the boat christening. It was a participation exercise from the ground up and the news coverage was great.

We are strategically planning for Edward Jones laddered CD investments.

Chief Baker met with Kurt Ladipow from ERI, who is working on a proposal for Standards of Coverage.

The annual audit is underway with Eide Bailly and will be presented at the December meeting.

A request of proposal went forward with Bickmore to do our actuarial valuation.

Trustee Felton asked when we would have a result from the actuary. Chief Baker responded that Office Manager Warner has received audit worksheets and pre-work is underway so that once the proposal is approved, we can get started. It will take several months to complete.

Cave Rock is a funding priority for the Lake Tahoe Restoration Act funds. The Tahoe Fire and Fuels team and water purveyors have been discussing ways for the systems experts and the fire experts to work together to create a plan for the priority issues and to press forward towards permanent solutions.

The Regional Fire Academy graduation ceremony is at 6:00 pm on Friday, November 17 at Harrahs in the convention center. Brent Tajkowski is our recruit, and Anil Ratti and Garrett Hekhuis are former Zephyr Crew members.

Chief Jones reported on an incident with a vehicle over the embankment about 100-150 feet on November 14 on Spooner Summit. Crews at 25 and 24 did a great job setting up the low angle ropes rescue and worked seamlessly with Carson City Fire to get the patient up to the road. The patient was transported by Care Flight from the bottom of Spooner. South Lake Tahoe Fire immediately moved to Stateline to help cover the district during the event; our relationships with our neighboring agencies are great.

12. Report Item: Review of Fire District Division Reports.
Battalion Chief Todd Moss
Fire Marshal Eric Guevin

Moss

A-shift was called out for a priority one structure fire on November 3. Captain Salerno was the first on scene and arrived to a wall of fire between two houses. The fire started when ashes were dumped into a fire pit outside next to a large wood pile. Wind ignited the ashes catching the wood pile, trees, and neighboring house on fire. It burned into both of the attics and both houses were minutes from being complete losses. Crews were on scene very quickly and everyone on did a great job knocking the fire down quickly. Congratulations on a job well done by A-Shift.

The new ambulance is nearing completion with the final details being addressed before delivery at the end of November.

On November 1, B-shift responded to a cardiac arrest at the Our Lady of Tahoe Catholic Church. Bystanders were performing CPR when our crews arrived. The patient was defibrillated once and his pulse returned. By the time they arrived at Barton Hospital, he was yanking at his tube and was discharged the next day. We have been in touch with him and have invited him to attend a future BOT meeting.

Trustee Felton asked about the second successful cardiac save this month that was mentioned in Chief Antti's report.

Chief Moss responded that the second cardiac arrest incident was the night of structure fire. CPR was in progress upon our crew's arrival and they were able to get return of spontaneous circulation. The patient was showing signs of life at the hospital, but his current condition is not known.

Chief Moss commented that the hands-on CPR training and community resilience is a big part in why we have had successful saves, and the District has to thank FF/P Pettit for her role in that.

She has been instrumental in educating our community and getting AEDs into many public places.

Guevin

Fire Inspector Stroup applied for a grant with senior services to attend the Remembering When Conference in Nashville, TN. Fire Marshal Guevin, Fire Inspector Stroup, and Travis Lee from the senior center attended the conference on aging and the challenges we are faced with in a population that is older.

The District plans to work together with Douglas County Senior Center to go out directly to the seniors and to tie in with their existing programs. The focus is on long term care to keep hospital visits down and people safe.

Vice Chairperson Grant asked if there is funding assistance available if the homeowner can't afford to put safety equipment in their home.

Fire Marshal Guevin responded that right now, the grant is for educational purposes only, but it could be possible in the future. The focus now is what we can identify as hazards when we respond to elderly persons homes.

Fire Marshal Guevin and Fire Inspector Stroup also attended the National Fire Academy Best Practice in Fire Prevention Community Risk Reduction Conference. As a department, we already do a lot of the things that were discussed at the training.

Firefighter Juan Serrano did a great job organizing a mentor mixer at FireShowsWest. Firemen, community leaders, and presenters were all together to discuss life in the fire service. FireShowsWest representatives said the mixer was the most attended one they had ever seen.

Fire Inspector Stroup was just appointed as Treasurer for the Fire Prevention Association of Nevada.

Fire Marshal Guevin thanked staff for the boat launch. Fire Inspector Stroup was instrumental in working through homes and determining fire flow needs. He also thanked Accounting Specialist Nolting for handling the accounting and the contracts. This is a great program set for success.

Fire Prevention conducted the fire investigation for the structure fire on November 3. Occupied areas of the home were saved with very minimal damage.

Kudos to Local 2441 for hosting the Coats for Kids program again. Our Local 2441 ordered the jackets and our crews took them to Zephyr Cove Elementary School and provided coats for the kids in need.

Fire Marshal Guevin recognized Forester Pickett for his fourth nomination for the Tahoe Chamber Blue Ribbon awards.

Fire Prevention is also working on code adoption.

Trustee Felton asked what the differences are in the new code.

Fire Marshal Guevin responded that there aren't many changes for our district. The main things that will affect us are batteries back-ups in the home for charging electric cars and the portion dealing with marijuana. We are ahead of it, and will provide more information as it becomes available.

13. Public Comment:

Chairman Kirschner commented that he will be stuffing corvettes for Christmas this year, and would like to deliver them by December 10. If you have toys you would like to donate, contact him.

Trustee Felton asked for an update on the nine defensible space citations.

Fire Marshal Guevin responded that we were able to drop a few as homeowners get in contact with us. The court date is in December, and some will be released if they can prove they have done the work.

Trustee Felton asked why Hometown Health is refusing to use our insurance broker now that we have changed it.

Firefighter/Paramedic Scott Vandover responded that LBG Advisors are not currently a "premier broker" with Hometown Health, and Hometown Health is refusing to acknowledge our new broker.

14. Discussion: Confirm next meeting, with a proposed date of Wednesday December 20th, 2017 with a start time of 2:30 p.m. and possible agenda items.

Meeting confirmed for Wednesday, December 20th, 2017 with a start time of 2:30 p.m. in the Station 23 classroom.

Possible agenda items include Standards of Coverage and the audit report.

Adjourn.

Chairman Kirschner adjourned the meeting.

Closed Session: Not needed at this meeting.

**Erin Allison
Board Secretary
Tahoe Douglas Fire Protection District**

DRAFT