

**BOARD OF FIRE COMMISSIONERS  
TRUCKEE MEADOWS FIRE PROTECTION DISTRICT (TMFPD)**

TUESDAY

9:00 a.m.

DECEMBER 19, 2017

PRESENT:

**Bob Lucey, Chair**  
**Marsha Berkbigler, Vice Chair**  
**Vaughn Hartung, Commissioner**  
**Jeanne Herman, Commissioner**

**Jan Galassini, Chief Deputy County Clerk**  
**Charles Moore, Fire Chief**  
**David Watts-Vial, Deputy District Attorney**

ABSENT:

**Kitty Jung, Commissioner**

The Board convened at 9:00 a.m. in regular session in the Commission Chambers of the Washoe County Administration Complex, 1001 East Ninth Street, Reno, Nevada. Following the Pledge of Allegiance to the flag of our Country, the Clerk called the roll and the Board conducted the following business:

Chair Lucey welcomed members of the Boy Scout Webelos troupe Tommy Schoech, Christian Chan-Freitas, Tyler Morgan, Keegan Davis and Samuel Mori.

**17-178F**      **AGENDA ITEM 3** Public Comment.

There was no response to the call for public comment.

**17-179F**      **AGENDA ITEM 4** Announcements/Reports.

Truckee Meadows Fire Protection District Chief Charles Moore requested Agenda Item 10 be pulled from the agenda. Commissioner Hartung wanted a report about how the green waste program impacted the average citizen. He noted the District received a donation by a citizen who utilized the program and said donations were a simple way for the program to continue. Commissioner Berkbigler suggested also pulling Agenda Item 6 because there were no union representatives available.

Commissioner Berkbigler thought they should describe the green waste program to the Boy Scouts in attendance. Deputy District Attorney David Watts-Vial stated they could hear Agenda Item 10 as a presentation item but he cautioned against someone describing the program. Chair Lucey stated he would leave Agenda Item 10 on the agenda.

**CONSENT ITEMS**

**17-180F** **5A** Approval of minutes from the December 5, 2017 meeting.

**17-181F** **5B** Accept a donation of \$100.00 from Hidden Valley Resident Jack Richardson in support of the Truckee Meadows Fire Protection District's Green Waste Program and express appreciation for the thoughtful contribution.

There was no public comment on the item.

On motion by Commissioner Hartung, seconded by Commissioner Berkgigler, which motion duly carried with Commissioner Jung absent, it was ordered that the Consent Agenda Items 5A through 5B be approved.

**17-182F** **AGENDA ITEM 7** Promotional announcements and Badge Pinning

Promoted employees:

- Ron Harmon, Fire Equipment Operator
- Nicholas Remington, Fire Equipment Operator
- Patrick Walsh, Fire Equipment Operator
- Denise Reynolds, Fire Prevention Specialist II

The promoted employees were pinned by their spouses. Truckee Meadows Fire Protection District Chief Charles Moore remarked in addition to being promoted, Denise Reynolds performed the job of fire marshal while the District was recruiting for a new fire prevention chief.

Chair Lucey congratulated the promoted employees, praised their commitment to the District, and thanked their families for their sacrifice. He thanked Mr. Remington for assisting his grandmother.

There was no public comment or action taken on this item.

**17-183F** **AGENDA ITEM 8** A. Discussion and possible direction to staff on the Fire Chief Report to include operational matters and activities for the months of October and November 2017:

1. Update and informational overview of expanded Automatic Aid with City of Sparks
- B. Career Statistics and Report for September 2017  
C. Volunteer Statistics and Report for September 2017

Truckee Meadows Fire Protection District (TMFPD) Chief Charles Moore referenced an email he sent the Board about a fire that resulted in one death. He commented the fire was not detected until 48 hours after it went out. While he could not speak to the cause of death, he said the fire appeared to be caused by an overloaded

power strip. He stated the landlord checked on the tenant after not hearing from her for several days and fire crews discovered the residue of the fire when called to investigate. He indicated overloaded electrical strips were common causes of fire and cautioned the public to be aware of that. He said the Medical Examiner had completed the autopsy and would possibly issue a statement soon.

Chief Moore remarked high winds were forecasted and the National Weather Service advised of the potential for rapid fire spread. He pointed out prior fires had happened at this time of year and he urged the public to be cautious.

Chief Moore referenced a lengthy update in the Board packet about enhanced automatic aid with the City of Sparks, noting the update did not include automatic vehicle location (AVL). In the past, both agencies responded to all calls regardless of proximity. He and Sparks Fire Chief Charles Maples discussed the issue with the goal of only sending resources from whichever jurisdiction was closest. He mentioned there were technological hurdles that had been addressed and he anticipated a rollout of the program in February. He agreed with Chief Maples about the desire to ultimately move to an AVL system but acknowledged there would be challenges with the dispatch centers being in different locations. They were in the process of identifying areas where the Sparks Fire Department would be closer and areas where the TMFPD would be closer; this would be pre-determined for use in the rollout.

When asked by Commissioner Berkbigler whether the City of Reno used AVL, Chief Moore replied no agencies currently used AVL, though he added they all had the technological capability to use it. Moving to the system required coming to an agreement with all agencies that the closest agency would handle the call. He recalled a prior study that showed the call volume for structure and brush fires would not be very great and the TMFPD would respond three times as often as Reno given the location of their stations. He recommended performing another data analysis for medical calls, which were more frequent, to see how many calls the TMFPD would be expected to respond to on behalf of the City of Reno.

Commissioner Berkbigler directed staff to put a discussion of the statistics on an upcoming agenda. She urged the County to make decisions with an information-based perspective. Chief Moore stated he would have to ask the City of Reno for their data and it would be quick to perform an analysis. He added it would be fair for the District to provide Reno with the its analysis.

Commissioner Hartung thanked the City of Sparks for working with the County. Chief Moore added County and City labor groups were involved in the process and they felt it was a positive step for citizens of both jurisdictions. He concluded the report saying he would be happy to answer any questions about the career and volunteer statistics included in the staff report.

There was no public comment on this item.

On motion by Commissioner Hartung, seconded by Commissioner Berkgigler, which motion duly carried with Commissioner Jung absent, it was ordered that Agenda Item 8 be approved.

**17-184F**      **AGENDA ITEM 9** Review and acceptance of the Truckee Meadows Fire Protection District's Audited Financial Statements for the Fiscal Year ended June 30, 2017.

Truckee Meadows Fire Protection District (TMFPD) Chief Charles Moore indicated the Board would only hear the presentation but would not be able to approve the audit until it was put on the agenda to do so at the January 2018 meeting.

Cindy Vance, Chief Fiscal Officer, noted the annual audit for the TMFPD was completed, a copy of which was included in the Board's packet. She indicated the District was in a strong financial position, and Fiscal Year (FY) 2016/17 included records of the merger with the Sierra Fire Protection District (SFPD). She mentioned they were able to fund their capital with cash, including a significant transfer to the capital projects fund. She introduced auditor Dan Carter from Eide Bailly.

Mr. Carter stated the unmodified opinion rendered on the independent auditor's report was the highest level of assurance they could provide about the financial statements of the District. He mentioned the discussion and analysis section beginning on page 4 provided a comparative analysis with a focus on the activities of FY 2017/18. Reviewing the financial statements, Mr. Carter noted the District reported positive net position in two of the three categories. He explained the negative unrestricted balance was due to the net pension liability and other post-employment benefit (OPEB) liabilities the District carried.

Mr. Carter pointed out the TMFPD's three major funds all showed positive fund balances. He indicated the general fund balance decreased by \$2.5 million over FY 2015/16, the emergency fund balance decreased by \$100,000, and the capital projects funds increased by \$3.3 million. He highlighted the note on page 37 which disclosed the details of merging the SFPD's financial statements with the TMFPD's statements since July 1, 2016, which affected both the general fund and the emergency fund. The transfer resulted in \$4.1 million in fund balance being added to the TMFPD's financial statements, \$2.4 million of which was cash. He stated the \$4.2 million in capital assets that were transferred were offset by \$2.8 million in OPEB liability.

Mr. Carter summarized notes 2, 3, 7, and 8 found in the audit report. He said Eide Bailey provided an independent auditor's report on internal control over financial reporting and compliance, and they did not note any material weaknesses and or report any significant deficiencies regarding the TMFPD. Mr. Carter reviewed the auditor's comments on page 63. Historically they reported a finding related to the preparation of the financial statements but that had been corrected for FY 2016/17 with Ms. Vance's help.

Mr. Carter mentioned there was an upcoming governmental accounting standard that would affect the TMFPD moving forward. Eide Bailly would work with the Finance Department to implement Governmental Accounting Standards Board (GASB) Statement 75, which was an amendment to the reporting of the OPEB liability. Currently only shortfalls in current FY costs were listed as liabilities; in FY 2017/18 the full OPEB liability would be reported. He stated the impact for the year would be around \$1.2 million, a cost the TMFPD should be able to absorb.

Prompted by Commissioner Hartung's query, Ms. Vance replied the District was responsible for the cost of OPEB claims for approximately 25 members that were retired from the City of Reno. She indicated it would probably be presented at the January meeting. Ms. Vance said she would provide an exact figure by email. She also confirmed Commission Hartung's assertion it would be an ongoing liability.

Ms. Vance thanked Mr. Carter for his help since it was her first year preparing the financial statements for the audit.

There was no public comment or action taken on this item.

**17-185F** **AGENDA ITEM 10** Presentation, discussion and possible direction to staff regarding a review of the Green Waste Pilot Program and possible expansion of the program to include the acquisition of certain capital equipment in support of the expansion.

There was no public comment on this item.

Deputy District Attorney David Watts-Vial suggested Truckee Meadows Fire Protection District Chief Charles Moore could present his background on the green waste pilot program but he cautioned the Board against discussing it with Chief Moore since Agenda Item 10 was not listed as an action item.

Chief Moore said there were two weather events that would have made pile burning dangerous, so they were looking for a safer way for people to dispose of the high volume of green waste. He mentioned four stations were set up both in October and November. The November campaign saw so much waste delivered that the District was still working to masticate and dispose of it. He stated the dumpsters they rented were almost full by the start of the event. He admitted there was trash put into the dumpsters which contaminated the green waste they intended to take to RT Donovan Co Inc. Chief Moore said one solution would be to repurpose the funds that were allocated for a command vehicle into capital assets they could use for green waste, such as a truck with a J-hook, dumpsters, or water tanks. He would bring those suggestions back for discussion at the January meeting.

Chief Moore said each site incurred about \$2,000 worth of expenses for an estimated total of between \$12,000 and \$14,000. He felt it would be more prudent for the District to invest in its own capital equipment and it would not take very long to recover

the costs. He mentioned the idea of having two sites, one in the north and one in the south, and rotating them with other sites such as the East Lake fire station, the Bowers Mansion station, Silver Lake, or Lemmon Valley. Having four stations operational at the same time was onerous for staff. He noted the feedback received from citizens was overwhelmingly positive and there were requests to see the program continue.

Commissioner Berkbigler defined green waste for the Boy Scouts in attendance. Chair Lucey mentioned his district was very happy with the program and he hoped to see it expand. He explained how green waste could be contaminated by trash and how the program provided safety for the community. Commissioner Hartung expressed the desire to have a site in Spanish Springs and said he would instigate a discussion with RT Donovan.

There was no public comment or action taken on this item.

**17-186F**      **AGENDA ITEM 11** Announcements/Reports.

Truckee Meadows Fire Protection District (TMFPD) Chief Charles Moore stated the District would start the budget process soon and he wanted to schedule a discussion with the Commissioners to determine what their budget priorities were. He cited prior discussions about a rescue crew at Station 15 and the green waste program.

Commissioner Hartung stated he was a proponent of the rescue crew and suggested one near Station 14. He wished to see three flexible crews around the valley to relieve the engine companies of much of their workload. Commissioner Berkbigler requested additional discussion on a future agenda about water storage and other issues in Verdi.

Chair Lucey noted the District's call volumes were increasing every year and said Stations 15 and 17 were the highest-called stations. He noted his district had six stations, Commissioner Hartung's had two including shared stations, Commissioner Herman's had four, and Commissioner Berkbigler's had two. He wanted to know what the capital improvement project allocations were for expansion into areas with fewer stations, suspecting call volume would only get worse over time. Second, he indicated it would be important to consider locations when discussing a regional plan update. He suggested having discussions with the City of Reno and commented Reno had just approved their master plan update. Those decisions would impact the TMFPD's ability to serve its constituents in the north valleys, where he imagined most growth would occur. He urged the District to be more proactive and requested an agenda item for early 2018.

Commissioner Hartung remarked rescue crews could lessen the workload around the region as an interim solution until new stations were built. He said that could result in the District responding to calls more frequently with rescue crews rather than with full engines. Chair Lucey indicated he wanted Chief Moore to put together an interim plan and a long-term plan so the District could fulfill its fiduciary responsibility.

He suggested considerations such as recent fires in Sun Valley and which truck would best handle certain events be included in the report to better educate the Board.

Commissioner Hartung directed Chief Moore to return with a report about the number of medical calls received in Spanish Springs that were made by elder care facilities.

There was no public comment or action taken on this item.

**17-187F**     **AGENDA ITEM 12** Public Comment.

There was no response to the call for public comment.

\*   \*   \*   \*   \*   \*   \*   \*   \*   \*

**9:52 a.m.**     There being no further business to discuss, the meeting was adjourned without objection.

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**BOB LUCEY**, Chair  
Truckee Meadows Fire  
Protection District

ATTEST:

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**NANCY PARENT**, Washoe County Clerk  
and Ex-Officio Clerk, Truckee Meadows  
Fire Protection District

*Minutes Prepared By:*  
*Derek Sonderfan, Deputy County Clerk*



# TRUCKEE MEADOWS FIRE PROTECTION DISTRICT

## STAFF REPORT

Board Meeting Date: January 16, 2018

Fire Chief CM  
Finance CV  
Legal DWV  
Risk Mgt DE  
HR N/A

**DATE:** November 28, 2017  
**TO:** Truckee Meadows Fire Protection District Board of Fire Commissioners  
**FROM:** Cindy Vance, CPA, Chief Fiscal Officer  
**SUBJECT:** Acceptance of the Truckee Meadows Fire Protection District's Audited Financial Statements for the Fiscal Year ended June 30, 2017. (All Commission Districts) FOR POSSIBLE ACTION

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### SUMMARY

Acceptance of the Truckee Meadows Fire Protection District's Audited Financial Statements for the Fiscal Year ended June 30, 2017.

**Strategic Objective supported by this item:** *Sustainability of our financial, social and natural resources.*

### PREVIOUS ACTION

December 19, 2017 - the Board was presented the Districts Audited Financial Statements for the Fiscal Year ended June 30, 2017.

### BACKGROUND

To recap the presentation in December, the highlights of the Truckee Meadows Fire Protection District's Audited Financial Statements for the Fiscal Year Ended June 30, 2017 are as follows:

#### **General Fund:**

The Truckee Meadows Fire Protection District's finances are stable in the short-term and long-term. The General Fund's fund balance as of June 30, 2017 was \$10,141,897, a decrease of \$477,394 or 4.5% from the prior year. This decrease is primarily caused by the transfer out of \$6,300,000 to the Capital Projects Fund offset by the merger of operations of the Sierra Fire Protection District. The total fund balance of \$10,141,897 equates to 43.86% or approximately five months' worth of expenditures.

In FY 16-17, the total General Fund expenditures were \$23,121,434 which was \$2,483,309 under budget. The General Fund revenues and other sources were under budget by \$2,086,180. The under collection of revenues compared to budget is due to the merger with Sierra Fire Protection District being budgeted as a revenue when generally accepted accounting principles require the merger to be presented as a prior period adjustment. All other revenues, exclusive of amounts related to the merger, exceeded budget by \$947,729.

**AGENDA ITEM # 5B**



**Emergency Fund:**

The Wildland Fire Emergency Fund was established to fund the District's emergency and wildland fire liability. NRS 474 allows Fire Districts to set aside up to \$1.5 million per year for emergency operations, primarily wildland fire operations. As of June 30, 2017, the fund balance was \$1,192,390. This fund balance was carried forward to FY 17-18 to allow for District funding for the cost of future wildland fires and other emergencies.

**Capital Projects Fund:**

The TMFPD Capital Projects Fund is used to fund the purchase of equipment, building improvements and construction projects for the District. As of June 30, 2017, the Capital Projects Fund Balance was \$10,284,952 due to the time delay in the purchase of capital assets and construction projects, primarily in relation to Station 14. This is a one-time accumulation of funds for the District's Capital Improvement Program. This fund balance allows the District to pay for the capital projects and purchase of capital assets without acquiring debt, thus saving taxpayers interest expenses. The fund balance has been carried over to FY 17-18 for the District's Capital Improvement Program.

**Workers' Compensation Fund:**

In FY 03-04, the District established the Workers' Compensation Internal Service Fund in order to account for the District's liability for workers' compensation claims. Per the Reno/TMFPD Interlocal Agreement, the TMFPD shall pay a pro rata share of the Reno Fire Department workers' compensation claims based upon the number of positions attributable to the TMFPD vs. the total Reno Fire Department staff. With the termination of the TMFPD/Reno Interlocal Agreement, the TMFPD will continue to pay their proportionate share of actual costs for the remaining year of the 5 year buy-out. During fiscal year 2018 the District purchased the final year of the 5 year buy-out and only remains responsible for future heart and lung claims. As of June 30, 2017, the District had restricted net position of \$1,087,841.

**Other Funds:**

As of June 30, 2017, the District's Stabilization Fund had a fund balance of \$591,314 which is consistent with prior years. The fund is available to be utilized for decreases in revenues and for emergencies. As of June 30, 2017, the Sick and Annual Comp Benefits Fund had a fund balance of \$853,434 which is an increase of \$518,309 from the prior year due to budgeted transfers from the General fund. This fund was established to be used for the significant retirement payouts related to sick and comp time benefits. During FY 16-17 the District paid \$81,691 in retirement payouts.

**Conclusion**

The Truckee Meadows Fire Protection District is financially sound as of June 30, 2017. The consolidated operations of the District with the Truckee Meadows Fire Protection District have culminated in administrative and operational savings and the District's finances are stable.

**FISCAL IMPACT**

None

**RECOMMENDATION**

It is recommended that the Board accept the Truckee Meadows Fire Protection District's Audited Financial Statements for the Fiscal Year ended June 30, 2017.

**POSSIBLE MOTION**

Should the Board agree with staff's recommendation a possible motion would be:

*"I move to accept the Truckee Meadows Fire Protection District's Audited Financial Statements for the Fiscal Year ended June 30, 2017."*



# **Truckee Meadows Fire Protection District**

June 30, 2017



Financial Statements  
June 30, 2017

# Truckee Meadows Fire Protection District

Truckee Meadows Fire Protection District

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## Independent Auditor's Report

To the Honorable Board of Fire Commissioners  
Truckee Meadows Fire Protection District  
Reno, Nevada

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Truckee Meadows Fire Protection District (the District) (a component unit of Washoe County, Nevada) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters***Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of funding progress, schedule of proportionate share of the net pension liability, and schedule of contributions on pages 4-10, 40-43, 44, 45 and 46, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund statements and schedules, including budgetary comparisons and reconciliations, are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual fund statements and schedules, including budgetary comparisons and reconciliations are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statement and schedules, including budgetary comparisons and reconciliations are fairly stated in all material respects in relation to the basic financial statements taken as a whole.



**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2017 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to solely describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Eide Bailly LLP*

Reno, Nevada  
November 30, 2017

As management of the Truckee Meadows Fire Protection District's (the District) finances, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2017.

### FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the District's governmental activities exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$18,355,713 of which includes \$22,514,395 net investment in capital assets, \$1,192,390 restricted for wildland fire emergencies, \$10,208,733 restricted for capital projects, \$2,500 restricted for equipment, \$1,087,841 restricted for claims, and (\$16,650,146) which is the unrestricted net position. Governmental activities include all funds of the District.
- The District merged the administration and operations of the Sierra Fire Protection District into the District as of July 1, 2016. The beginning net position of \$4,088,643 of The Sierra Fire Protection District was recorded as a prior period adjustment to the District's beginning net position.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$23,063,987, an increase of \$3,838,364 or 19.96% in comparison with the prior year. This increase was primarily caused by the merger of operations of the Sierra Fire Protection District. Approximately 43.59% of the combined ending fund balance is available for spending at the government's discretion (unassigned fund balance).

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Total assets of the District at June 30, 2017, were \$50,597,293 with capital assets, net of accumulated depreciation, accounting for \$22,514,395 of that total. Of the total liabilities of \$38,250,180, approximately 94.19% represent liabilities related to long-term liabilities of the District. This is an increase of \$8,909,697 in liabilities in comparison with the prior year which was primarily caused by the increase in the Net Pension Liability, the increase in other post-employment benefits related to the merger of Sierra Fire Protection District and the increase in estimated claims and judgements liability.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). Total revenues for the year ended June 30, 2017 were \$28,323,826 consisting primarily of taxes and intergovernmental revenues, while total expenses were \$30,595,260. This resulted in a decrease in net position of \$2,271,434 or 13.73% from prior year. The decrease was primarily caused by a one-time increase in estimated workers compensation claims costs. The District's net position as of year-end is strong.

Both of the government-wide financial statements show the public safety function of the District, which is principally supported by taxes and intergovernmental revenues (governmental activities). All governmental activities of the District are included in the public safety function since the District is a single-purpose entity.

The government-wide financial statements can be found on pages 11 and 12 of this report.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District fall into the governmental funds category, except for the proprietary funds.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains three individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Emergency Fund and Capital Projects Fund, all of which are considered to be major funds.

The District adopts an annual appropriated budget for each of its funds. A budgetary comparison statement or schedule has been provided for each fund to demonstrate compliance with the budget. The governmental fund financial statements and the reconciliations to the government-wide financial statements can be found on pages 13-16 of this report.

**Proprietary funds.** The District maintains two types of proprietary funds, which are both internal service funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's functions. The District uses two internal service funds to account for its workers' compensation liability and health benefits liability. Because the District is fully insured for employee health benefit, the health benefits liability internal service fund was deemed no longer necessary and closed during fiscal year 2017. Because these services benefit governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements. The internal service funds are reported in the proprietary fund financial statements and can be found on pages 17-19 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 20-39 of this report.

**Other information.** The District maintains a stabilization fund and a sick annual comp benefits fund for internal purposes. These funds do not meet the definition of special revenue funds under Governmental Accounting Standards Board (GASB) Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which was implemented in 2011 by the District. The activity for these funds is included in the General Fund in the basic financial statements; however, since the District prepares a budget for these funds, a reconciliation of budgetary basis financial statements to GAAP basis financial statements is presented on pages 43 and 48 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

- As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of June 30, 2017, the District's total net position was \$18,355,713, which is a \$1,817,209 increase from the prior year. The primary reason for the increase was the prior period adjustment of \$4,088,643 related to the merger of the Sierra Fire Protection District operations.

**Truckee Meadows Fire Protection District's Net Position**

	<b>Governmental Activities</b>	
	<u>2017</u>	<u>2016</u>
Current and other assets	\$28,082,898	\$25,739,297
Capital assets	<u>22,514,395</u>	<u>17,671,594</u>
Total assets	<u>50,597,293</u>	<u>43,410,891</u>
Deferred outflows of resources	<u>8,437,304</u>	<u>5,749,113</u>
Other liabilities	2,221,324	1,461,457
Long-term liabilities	<u>36,028,856</u>	<u>27,879,026</u>
Total liabilities	<u>38,250,180</u>	<u>29,340,483</u>
Deferred inflows of resources	<u>2,428,704</u>	<u>3,281,017</u>
Net position:		
Investment in capital assets	22,514,395	17,671,594
Restricted	12,491,464	11,590,181
Unrestricted	<u>(16,650,146)</u>	<u>(12,723,271)</u>
Total net position	<u>\$ 18,355,713</u>	<u>\$16,538,504</u>

The assets and deferred outflows of resources of the District's governmental activities exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$18,355,713. Net position includes the District's net investment in capital assets (e.g., land, buildings, machinery, and equipment). The net investment in capital assets as of June 30, 2017 was \$22,514,395. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

An additional portion of the District's net position \$12,491,464 represents resources that are subject to external restrictions on how they may be used, such as the workers' compensation claims, capital projects and emergencies. The remaining balance of unrestricted net position was (\$16,650,146).

At the end of the current fiscal year, the District is able to report positive balances in two of the three categories of net position. The negative unrestricted net position was caused by the implementation of a new accounting standard requiring the reporting of the Net Pension Liability on the balance sheet.

**Truckee Meadows Fire Protection District's Changes in Net Position**

	<b>Governmental Activities</b>	
	<u>2017</u>	<u>2016</u>
Revenues:		
Program revenues:		
Charges for services	\$ 602,279	\$ 7,230,944
Capital grants and contributions	13,122	-
Operating grants and contributions	15,599	82,699
General revenues:		
Property taxes	17,100,142	11,099,590
Consolidated taxes	7,713,537	5,874,270
Other taxes	1,298,648	818,165
Unrestricted investment earnings	38,285	509,202
Reimbursements	1,403,146	414,085
Other	<u>139,068</u>	<u>601,690</u>
Total revenues	<u>28,323,826</u>	<u>26,630,645</u>
Expenses:		
Public safety	<u>30,595,260</u>	<u>24,435,890</u>
Increase (Decrease) in net position	(2,271,434)	2,194,755
Net position, July 1	16,538,504	14,343,749
Prior period adjustment	<u>4,088,643</u>	<u>-</u>
Net position, June 30	<u>\$18,355,713</u>	<u>\$16,538,504</u>

**Total Revenues.** The District's total revenues increased by \$1,693,181 or 6.36%. The primary increase was caused by an increase of property tax, consolidated tax revenue and other revenues which reflects the combined tax basis due to the merger with Sierra Fire Protection basis and a recovering economy. This increase was partially offset by a decrease in charges for service due to a reduction in fees collected from Sierra Fire Protection District under the previous interlocal agreement during fiscal year 2016.

**Total Expenses.** The District's total expenses increased by \$6,159,370 or by 25.21% which was primarily due to an increase in workers compensation claims costs and continued growth of the District.

**Net Position.** The District's total net position increased by \$1,817,209 during the fiscal year ended June 30, 2017, and \$2,194,755 during the fiscal year ended June 30, 2016. The increase in total net position in the fiscal year ended June 30, 2017 was primarily caused by the prior period adjustment of related to the merger of the Sierra Fire Protection District operations.

## FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$23,063,987, an increase of \$3,838,364 or 19.96% in comparison with the prior year. This increase was primarily caused by the merger of operations of the Sierra Fire Protection District. Approximately 43.59% of the combined ending fund balance is available for spending at the government's discretion (unassigned fund balance).

The General Fund is the primary operating fund of the District. For the fiscal year ended June 30, 2017, the total fund balance for the General Fund was \$11,586,645. The total fund balance includes an assigned fund balance of \$5,530,895, which consists of \$64,551 assigned for encumbrances and appropriated fund balance, \$4,021,596 assigned to pay out accrued sick and annual compensation balances, and \$591,314 assigned for stabilization needs. The remaining fund balance consists of \$2,500 restricted for equipment purchase, \$21,089 in nonspendable fund balance, and \$10,053,757 unassigned.

The total fund balance for the General Fund in the amount of \$11,586,645 is an increase of \$41,297 from the prior year. This increase is primarily caused by the merger of operations of the Sierra Fire Protection District offset by an increase in transfers to the Capital Projects Fund.

As a measure of the General Fund's liquidity, it may be useful to compare the June 30, 2017, total fund balance not attributable to the Stabilization Fund or the Sick Annual Comp Benefits Fund of \$10,141,897 to fund expenditures. The fund balance represents 43.86% of total General Fund expenditures. This represents approximately 5 months' worth of expenditures. The fund balance will give the District's General Fund sufficient cash flow to meet its operational obligations in the future and the ability to pay for large wildland fires as they occur.

The District's Emergency Fund was established according to NRS 474 for the funding for unforeseen emergencies, primarily large wildland fires and other natural disasters. In fiscal year 2017, the District incurred large wildland fires within its jurisdiction; and it provided fire suppression services to other entities for a fee and paid for the State wildland fire insurance program and other expenditures which totaled \$957,710. The Emergency Fund balance as of June 30, 2017 was \$1,192,390. The Capital Projects Fund activity in fiscal year 2017 included, among other things, the purchase of radios, command vehicles, and the purchase of several pieces of apparatus.

**Proprietary funds.** The District's proprietary funds provide information on the workers' compensation and health benefit programs of the District. The net position of the Workers' Compensation Internal Service Fund as of June 30, 2017, was \$1,087,841. The Health Benefits Fund was closed during fiscal year 2017. In fiscal year 2017, the District fully funded its workers' compensation liabilities. In fiscal year 2018, the District budgeted to continue to fully fund the District's workers' compensation liabilities.

#### **CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital assets.** The District's net investment in capital assets as of June 30, 2017, amounts to \$22,514,395 (net of accumulated depreciation). This net investment in capital assets includes land, construction in progress, buildings and building improvements, and vehicles and equipment. Refer to Note 4 for further detail.

**Long-term debt.** At the end of the fiscal year, the District had no bonded debt outstanding. Refer to Note 5 for further detail.

#### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

- The District relies primarily on two types of tax revenues. The first of these is ad valorem or property taxes and is directly affected by the assessed property tax values in Washoe County, Nevada. Property tax revenues are projected to increase for 2017-2018. Assessed values increased by 3.15% for the coming fiscal year.
- The second significant tax revenue for the District, the consolidated tax, consists primarily of sales taxes. For the year ended June 30, 2017, taxable sales in Washoe County increased by 5.8% over the previous fiscal year. The District budgeted sales tax revenue consistent with projections obtained from the State of Nevada Department of Taxation.

These factors were considered in preparing the District's budget for the 2018 fiscal year.

#### **REQUESTS FOR INFORMATION**

The financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Truckee Meadows, 1001 East Ninth Street, Reno, Nevada 89512.



Truckee Meadows Fire Protection District  
Statement of Net Position  
June 30, 2017

	Governmental Activities
<b>Assets</b>	
Cash and investments	\$ 25,572,503
Restricted cash and investments	2,500
Accounts receivable	182,542
Taxes receivable	223,482
Due from other governments	1,934,134
Interest receivable	70,429
Deposits	82,651
Prepays	14,657
Capital assets, not being depreciated	3,203,386
Capital assets, net of accumulated depreciation	19,311,009
Total assets	50,597,293
<b>Deferred Outflows of Resources</b>	
Pension related amounts	8,437,304
<b>Liabilities</b>	
Accounts payable and accrued liabilities	1,803,257
Due to other governments	418,067
<b>Noncurrent liabilities</b>	
Due within one year	
Claims and judgments	96,133
Compensated absences	1,330,050
Tax refund	62,212
Due in more than one year	
Claims and judgments	1,232,996
Compensated absences	999,693
Tax refund	311,060
Other postemployment benefits	2,799,509
Net pension liability	29,197,203
Total liabilities	38,250,180
<b>Deferred Inflows of Resources</b>	
Pension related amounts	2,428,704
<b>Net Position</b>	
Investment in capital assets	22,514,395
Restricted for	
Wildland fire emergencies	1,192,390
Capital projects	10,208,733
Equipment purchase	2,500
Claims	1,087,841
Unrestricted	(16,650,146)
Total net position	\$ 18,355,713

Truckee Meadows Fire Protection District  
Statement of Activities  
Year Ended June 30, 2017

Functions/Programs	Expenses	Charges for Services	Capital Grants and Contributions	Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Governmental activities					Governmental Activities
Public safety	\$ 30,595,260	\$ 602,279	\$ 13,122	\$ 15,599	\$ (29,964,260)
General Revenues					
Ad valorem taxes					17,100,142
Intergovernmental Revenues					
Consolidated taxes					7,713,537
SCCRT-AB104					1,224,262
Real property transfer tax					74,386
Licenses and permits					125,208
Reimbursements					1,403,146
Unrestricted investment earnings					38,285
Other					13,860
Total general revenues					27,692,826
Change in Net Position					(2,271,434)
Net Position, Beginning of Year					16,538,504
Prior Period Adjustment					4,088,643
Net Position, Beginning of Year, as restated					20,627,147
Net Position, End of Year					\$ 18,355,713

Truckee Meadows Fire Protection District  
Balance Sheet – Governmental Funds  
June 30, 2017

	General Fund (GAAP Basis)	Emergency Fund	Capital Projects Fund	Total Governmental Funds
<b>Assets</b>				
Cash and investments	\$ 11,243,031	\$ 1,197,910	\$ 10,521,887	\$ 22,962,828
Restricted cash and investments	2,500	-	-	2,500
Accounts receivable	158,285	-	24,257	182,542
Taxes receivable	223,482	-	-	223,482
Due from other governments	1,746,533	187,601	-	1,934,134
Interest receivable	35,165	-	28,893	64,058
Deposits	6,432	-	76,219	82,651
Prepaid	14,657	-	-	14,657
	<u>\$ 13,430,085</u>	<u>\$ 1,385,511</u>	<u>\$ 10,651,256</u>	<u>\$ 25,466,852</u>
<b>Liabilities</b>				
Accounts payable and accrued liabilities	\$ 1,431,433	\$ 5,520	\$ 366,304	\$ 1,803,257
Due to other governments	218,991	-	-	218,991
	<u>1,650,424</u>	<u>5,520</u>	<u>366,304</u>	<u>2,022,248</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenues				
Property taxes	193,016	-	-	193,016
Reimbursements	-	187,601	-	187,601
	<u>193,016</u>	<u>187,601</u>	<u>-</u>	<u>380,617</u>
<b>Fund Balances</b>				
Nonspendable	21,089	-	76,219	97,308
Restricted	2,500	1,192,390	10,208,733	11,403,623
Assigned	5,530,895	-	-	5,530,895
Unassigned	6,032,161	-	-	6,032,161
	<u>11,586,645</u>	<u>1,192,390</u>	<u>10,284,952</u>	<u>23,063,987</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<u>\$ 13,430,085</u>	<u>\$ 1,385,511</u>	<u>\$ 10,651,256</u>	<u>\$ 25,466,852</u>

Truckee Meadows Fire Protection District  
 Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position  
 June 30, 2017

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Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - total governmental funds		\$ 23,063,987
Capital assets used in governmental activities are not financial resources, and, therefore are not reported in the funds.		
Governmental capital assets	36,779,811	
Less accumulated depreciation	<u>(14,265,416)</u>	22,514,395
Deferred inflows of resources are not available to pay for current period expenditures, and, therefore, are deferred in the funds.		
		380,617
Long-term liabilities are not due and payable in the current period, and, therefore, are not reported in the funds.		
Compensated absences	(2,329,743)	
Tax refund	(373,272)	
Other postemployment benefits	(2,799,509)	
Net pension liability	<u>(29,197,203)</u>	(34,699,727)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	8,437,304	
Deferred inflows of resources related to pensions	<u>(2,428,704)</u>	6,008,600
Internal service funds are used by management to charge the cost of certain activities to individual funds. The net position of the Internal Service Funds is reported with governmental activities		
		<u>1,087,841</u>
Net position of governmental activities		<u><u>\$ 18,355,713</u></u>

Truckee Meadows Fire Protection District  
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds  
Year Ended June 30, 2017

	General Fund (GAAP Basis)	Emergency Fund	Capital Projects Fund	Total Governmental Funds
<b>Revenues</b>				
Taxes	\$ 17,026,920	\$ -	\$ -	\$ 17,026,920
Licenses and permits	125,208	-	-	125,208
Intergovernmental	9,603,184	-	-	9,603,184
Charges for services	11,280	-	-	11,280
Miscellaneous	385,200	851,450	69,104	1,305,754
<b>Total revenues</b>	<b>27,151,792</b>	<b>851,450</b>	<b>69,104</b>	<b>28,072,346</b>
<b>Expenditures</b>				
<b>Current</b>				
Public safety	23,167,634	957,710	751,743	24,877,087
Capital outlay	35,970	-	2,378,677	2,414,647
<b>Total expenditures</b>	<b>23,203,604</b>	<b>957,710</b>	<b>3,130,420</b>	<b>27,291,734</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>3,948,188</b>	<b>(106,260)</b>	<b>(3,061,316)</b>	<b>780,612</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	616,544	-	6,300,000	6,916,544
Transfers out	(6,650,000)	-	-	(6,650,000)
Sale of capital assets	29,593	-	24,257	53,850
<b>Total other financing         sources (uses)</b>	<b>(6,003,863)</b>	<b>-</b>	<b>6,324,257</b>	<b>320,394</b>
<b>Net Change in Fund Balances</b>	<b>(2,055,675)</b>	<b>(106,260)</b>	<b>3,262,941</b>	<b>1,101,006</b>
<b>Fund Balances, Beginning of Year</b>	<b>11,545,348</b>	<b>658,264</b>	<b>7,022,011</b>	<b>19,225,623</b>
<b>Prior Period Adjustment</b>	<b>2,096,972</b>	<b>640,386</b>	<b>-</b>	<b>2,737,358</b>
<b>Fund Balances, Beginning, as Restated</b>	<b>13,642,320</b>	<b>1,298,650</b>	<b>7,022,011</b>	<b>21,962,981</b>
<b>Fund Balances, End of Year</b>	<b>\$ 11,586,645</b>	<b>\$ 1,192,390</b>	<b>\$ 10,284,952</b>	<b>\$ 23,063,987</b>

Truckee Meadows Fire Protection District  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental  
 Funds to the Statement of Activities  
 Year Ended June 30, 2017

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Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds		\$ 1,101,006
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives and reported as depreciation expense.</p>		
Expenditures for capital assets	2,191,414	
Less current year depreciation/amortization	<u>(1,348,462)</u>	842,952
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds. Thus, the change in net position differs from the change in fund balances by the change in unavailable revenue.</p>		
		259,342
<p>Some expenses reported in the statement of activities do not require the use of current financial resources, and, therefore, are not reported as expenditures in governmental funds:</p>		
Change in compensated absences	(342,479)	
Change in tax refund	(373,272)	
Change in postemployment benefits	<u>(488,496)</u>	(1,204,247)
<p>In the statement of activities, the gain or loss on the disposal of capital assets is reported. In the governmental funds, the gain or loss is not reported. Thus, the change in net position differs from the change in fund balances by the cost of the assets sold less the balance in accumulated depreciation.</p>		
		(151,966)
<p>Governmental funds report pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned is reported as pension expense.</p>		
Pension contributions	3,793,840	
Pension expense	<u>(4,091,777)</u>	(297,937)
<p>The internal service funds are used by management to account for the costs of retiree health medical expenses and workers' compensation. The net revenue of the internal service funds is reported with governmental activities.</p>		
		<u>(2,820,584)</u>
Change in net position of governmental activities		<u>\$ (2,271,434)</u>

Truckee Meadows Fire Protection District  
Statement of Net Position – Proprietary Fund  
June 30, 2017

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	Governmental Activities Internal Service Funds
Assets	
Current assets	
Cash and investments	\$ 2,609,675
Interest receivable	6,371
	<hr/>
Total assets	2,616,046
	<hr/>
Liabilities	
Current liabilities	
Due to other governments	199,076
Claims and judgments	96,133
	<hr/>
Noncurrent liabilities	
Claims and judgments	1,232,996
	<hr/>
Total liabilities	1,528,205
	<hr/>
Net Position	
Restricted	\$ 1,087,841
	<hr/> <hr/>

Truckee Meadows Fire Protection District  
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Fund  
Year Ended June 30, 2017

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	Governmental Activities Internal Service Funds
Operating Expenses	
Services and supplies	
Claims	\$ 2,543,610
Miscellaneous	2,568
	2,546,178
Total operating expenses	2,546,178
Nonoperating Revenues (Expenses)	
Investment earnings	41,147
Net decrease in the fair value of investments	(49,009)
	(7,862)
Total nonoperating revenues (expenses)	(7,862)
Loss Before Transfers	(2,554,040)
Transfers In	
General Fund	350,000
Transfers Out	
General Fund	(616,544)
	(266,544)
Total transfers	(266,544)
Change in Net Position	(2,820,584)
Net Position, Beginning of Year	3,908,425
Net Position, End of Year	\$ 1,087,841



Truckee Meadows Fire Protection District  
Statement of Cash Flows – Proprietary Fund  
Year Ended June 30, 2017

	<u>Governmental Activities Internal Service Funds</u>
Operating Activities	
Cash payments for services and supplies	<u>\$ (1,615,762)</u>
Noncapital Financing Activities	
Transfers in	350,000
Transfers out	<u>(616,544)</u>
Net Cash from (used for) Noncapital Financing Activities	<u>(266,544)</u>
Investing Activities	
Investment earnings	<u>(3,499)</u>
Net Change in Cash and Cash Equivalents	(1,885,805)
Cash and Cash Equivalents, Beginning of Year	<u>4,495,480</u>
Cash and Cash Equivalents, End of Year	<u>\$ 2,609,675</u>
Reconciliation of operating income (loss) to net cash from (used for) operating activities	
Operating income (loss)	\$ (2,546,178)
Adjustments to reconcile operating income (loss) to net cash from (used for) operating activities:	
Change in	
Due to other governments	134,287
Pending claims	<u>796,129</u>
Total adjustments	<u>930,416</u>
Net Cash used for Operating Activities	<u>\$ (1,615,762)</u>

**Note 1 - Summary of Significant Accounting Policies**

**Reporting Entity**

Truckee Meadows Fire Protection District (District) is a municipality of the State of Nevada located in Washoe County, Nevada. The District is governed by the Board of Fire Commissioners. The Washoe County Board of County Commissioners functions as the Board of Fire Commissioners of the District.

Prior to July 1, 2012, the District was considered a blended component unit of Washoe County. Although the District is a legally separate organization, the County was financially accountable, as defined in governmental accounting standards generally accepted in the United States of America, for Truckee Meadows Fire Protection District. Financial accountability was determined primarily by the Board of County Commissioners' participation as the governing body of the District. As of July 1, 2012, the County has no financial benefit or burden relationship with the District and, as such, the District has been reclassified from a blended component unit to a discretely presented component unit.

As of April 1, 2012, an Interlocal Agreement for Fire Services and Consolidation (Agreement) became effective between the Truckee Meadows Fire Protection District and the Sierra Fire Protection District. Under the Agreement, the two Fire Districts consolidated fire department administration and operations, although the two Fire Districts remain legally separate governmental entities. As of July 1, 2016, Sierra Fire Protection District's operations were consolidated into the District, as such; the District's beginning balances have been restated to include the July 1, 2016 balances of Sierra Fire Protection District in accordance with Government Accounting Standards Board Statement No. 69, *Government Combinations and Disposals of Government Operations*.

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (Statement of Net Position and the Statement of Activities) report information about the activities of the District. The effect of interfund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of the public safety function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The fund financial statements provide information about the funds of the District. Major individual governmental funds are reported as separate columns in the fund financial statements.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements and the proprietary funds' financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also report deferred inflows of resources in connection with resources that have been received, but not yet earned. Expenditures generally are recorded when the related liabilities are incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, postemployment benefits, and claims and judgments, are recorded only when payment is due.

The District initially utilizes restricted resources to finance qualifying activities prior to unrestricted resources, which are utilized as they are needed.

Property taxes, licenses and permits, intergovernmental revenues, and interest earnings associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Other revenue items are considered to be measurable and available only when cash is received by the District.

The focus of proprietary fund measurement is upon determination of operating income or loss, changes in net position, financial position, and cash flows. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. Operating expenses for internal service funds include the cost of services (employee benefits). All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The generally accepted accounting principles applicable are those similar to businesses in the private sector.

The District's Internal Service Funds are the only proprietary funds. The financial statements of the Internal Service Funds are consolidated into the governmental column when presented in the government-wide financial statements. The costs of these services are reported in the public safety function. The effect of interfund activity has been removed from the government-wide financial statements.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

The Wildland Fire Emergency Reserve Fund (The Emergency Fund), a special revenue fund under Nevada Revised Statutes (NRS), was created to account for the cost of unforeseen large wildland fire emergencies pursuant to NRS 474.510.

The Capital Projects Fund, a capital projects fund, accounts for the financial resources to be used for the acquisition and construction of major capital assets.

Additionally, the District reports the following fund type:

The Internal Service Funds, proprietary funds, account for the workers' compensation activity and the health benefits activity.

### **Budgets and Budgetary Accounting**

Truckee Meadows Fire Protection District adheres to the Local Government Budget and Finance Act incorporated within the statutes of the State of Nevada, which include the following major procedures to establish the budgetary data, which is reflected in these financial statements:

1. On or before April 15, the Board of Fire Commissioners files a tentative budget with the Nevada Department of Taxation for all funds.
2. Public hearings on the tentative budget are held on the third Monday in May in conjunction with Washoe County's budget hearing.
3. Prior to June 1, at a public hearing, the Board indicates changes, if any, to be made to the tentative budget and adopts a final budget by the favorable vote of a majority of the members of the Board. The final budget must then be forwarded to the Department of Taxation for compliance with State laws and regulations. In any year in which legislative action, which was not anticipated, affects the local government's final budget, the Board may file an amended final budget within 30 days of adjournment of the legislative session.
4. Formal budgetary integration in the financial records of all funds is employed to enhance management control during the year. Unencumbered appropriations lapse at the end of the year.
5. Budgets for all externally reported funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America. In addition, budgets are required for the internally reported special revenue fund.

Pursuant to Nevada Revised Statute 354.598005 the person designated to administer the budget may transfer appropriations within any function. Budget amounts may be transferred between functions within a fund if the governing body is advised of the action at the next regular meeting and the action is recorded in the official minutes of the meeting. Transfer of appropriations between funds or from the contingency account or budget augmentations in excess of original budgetary amounts may not be made without prior approval of the Board of Fire Commissioners, following a scheduled and noticed public hearing, as necessary. The budget was augmented as set forth above during the year. In accordance with state statute, actual expenditures generally may not exceed budgetary appropriations of the public safety function of the General Fund, Special Revenue Funds, and Capital Projects Fund. Also, actual operating and non-operating expenses of the Internal Service Funds generally may not exceed budgeted amounts.

**Cash Deposited and Invested with Washoe County Treasurer**

All cash transactions of the District are handled by the Washoe County Treasurer's office. Cash balances are pooled and, to the extent practicable, invested as permitted by law in combination with Washoe County funds.

For purposes of the Statement of Cash Flows, cash equivalents are defined as short-term, highly liquid investments, generally with original maturities of three months or less. Since all cash and investments of the District are pooled with Washoe County funds and are available upon demand, all cash and investments of the District are considered to be cash equivalents.

**Taxes Receivable**

Real and personal property taxes receivable reflect only those taxes receivable from the delinquent roll years. Delinquent taxes from all roll years prior to 2014-2015 have been written off. No provision for uncollectible accounts has been established since management does not anticipate any material collection loss in respect to the remaining balances.

Personal property taxes receivable reflect only those taxes management believes to be collectible.

Amounts not collected within 60 days after year-end have been recorded as deferred inflows of resources at the governmental fund level.

**Receivables**

Management does not anticipate any material collection losses in respect to the receivable balances.

**Capital Assets**

Capital assets, which include land, buildings and improvements, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Property, plant, and equipment of the District are depreciated using the straight line method over the following estimated useful lives:

Land improvements	40 years
Buildings	40 years
Building improvements	20 years
Vehicles and equipment	5-20 years

## **Pension**

For purposes of measuring the net pension liability and pension expense, information about the fiduciary net position of the Public Employees' Retirement System of the State of Nevada (PERS) Base Plan (Base Plan) and additions to/deductions from Base Plan's fiduciary net position have been determined on the same basis as they are reported by the Base Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

## **Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position and Governmental Funds Balance Sheet may report a separate section for deferred outflows of resources. The separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District recognizes deferred outflow of resources as it related to the net pension liability.

In addition to liabilities, the Statement of Net Position and Governmental Funds Balance Sheet may report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents and acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District recognizes deferred inflow of resources as it relates to the net pension liability on the Statement of Net Position. In addition, the District recognizes deferred inflows of resources as they relate to property taxes and wildland fire reimbursements in the governmental fund financial statements.

## **Long-Term Liabilities**

In the government-wide financial statements and the proprietary funds, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position.

## **Compensated Absences**

The costs involved in vacation time and sick leave benefits are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured as a result of employee resignations and retirements; costs are recorded as payroll costs only when the accumulated benefits are paid or accrued as a result of a termination of service.

The District provides for payment of accrued vacation. Upon death, retirement, permanent disability, or termination of an employee after ten years of full-time employment or its equivalent if the employee has not served as a full-time employee for reasons other than discharge for just cause, an employee shall be compensated for total accrued sick leave at the rate of one hour for every three hours earned up to a maximum hour limitation.

## **Fund Equity**

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets – Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets, if applicable.

Restricted Net Position – Consists of net position with constraints placed on its use either by (1) external groups such as creditors, contributors, or laws or regulations; (2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position – All other net position that does not meet the definition of restricted or net investment in capital assets.

In the governmental fund financial statements, fund balances are classified based primarily on the extent to which the District is bound to observe constraints imposed on the use of the resources in the fund. The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form. The restricted fund balance occurs when constraints are placed on the use of resources externally (such as through debt covenants or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation). For the District, the restricted fund balance consists of restricted assets for capital projects, emergency resources and contributions to be used for specific purpose. The assigned fund balance includes amounts that are constrained by the District's intent to be used for specific purposes and consists of the District's encumbrances as approved by the Board of Fire Commissioners and the amount of fund balance to be expended in the ensuing fiscal year as approved by the Board of Fire Commissioners and amounts internally reported for sick and annual compensation benefits and stabilization purposes. The remaining fund balance is shown as unassigned. When expenditures are incurred for purposes for which amounts in any unrestricted fund balance classifications could be used, committed funds, if any, are to be spent first, assigned funds second, and unassigned funds last.

### **Property Taxes**

All real property in the District is assigned a parcel number in accordance with state law, with each parcel being subject to physical reappraisal every five years. A factoring system is used to adjust the appraised value during the years between physical appraisals. The valuation of the property and its improvements is being assessed at 35 percent of "taxable value" as defined by statute. The amount of tax levied is determined by multiplying the assessed value by the tax rate applicable to the area in which the property is located.

Taxes on real property are a lien on the property and attach on July 1 of the year for which the taxes are levied.

Taxes may be paid in four installments payable on the third Monday in August, and the first Mondays in October, January, and March, to the Treasurer of Washoe County. Penalties are assessed if a taxpayer fails to pay an installment within ten days of the installment due date. After a two-year waiting period, if taxes remain unpaid, a tax deed is issued conveying the property to the County with a lien for back taxes and accumulated charges. Redemption may be made by the owner and such persons as described by statute by paying all back taxes and accumulated penalties, interest, and costs before sale.

Taxes on personal property are collected currently. Personal property declarations are mailed out annually and the tax is computed using percentages of taxable values established by the Department of Taxation and tax rates described above.

The major classifications of personal property are commercial and mobile homes. In Washoe County, taxes on motor vehicles are collected by a State agency and remitted to the local governments in the County as part of the Consolidated Tax distribution.

**Implementation of GASB Statement No. 77**

As of July 1, 2016, the Truckee Meadows Fire Protection District adopted GASB Statement No. 77, *Tax Abatement Disclosures*. The implementation of this standard requires governments to disclosure information related to tax abatements. The additional disclosures required by this standard are included in Note 10.

**Implementation of GASB Statement No. 82**

As of July 1, 2016, the Truckee Meadows Fire Protection District adopted GASB Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73*. The implementation of this standard clarified data is presented in disclosures and required supplementary information related to pensions. The required supplementary information and disclosures included in Note 8 have been updated in accordance with this standard.

**Note 2 - Compliance with Nevada Revised Statutes and the Nevada Administrative Code**

While it appears that the actual expenses of the Workers' Compensation Internal Service Fund is over the statutory limit of \$1,350,000, per NRS 354.626 subsection 2, the NRS provides an exception directly related to a program of insurance. The District conformed to all significant statutory and administrative code constraints on its financial administration during the year.

**Note 3 - Cash and Investments**

The District is a voluntary participant in the Washoe County Investment Pool (WCIP). The Washoe County Board of County Commissioners administers and is responsible for the WCIP in accordance with NRS 355.175. The investment pool is not registered with the SEC as an investment company. Public Financial Management, LLC determines the fair value of the investment pool monthly. Washoe County has not provided or obtained any legally binding guarantees during the audit period to support these values. Each participant's share is equal to their investment plus or minus their pro-rata portion of monthly interest income and realized and unrealized gains/losses. The related fair value is determined as follows:

	<u>June 30, 2017</u>
	<u>Fair Value</u>
Washoe County Investment Pool	<u>\$ 25,575,003</u>

**Credit Risk**

Fixed income securities are subject to credit risk. Credit risk refers to the risk that a borrower will default on debt by failing to make required payments. The District does not hold any such investments directly, but participates in the WCIP. The WCIP is unrated by recognized statistical rating agencies



**Custodial Credit Risk**

Custodial credit risk is the risk that an entity's deposits, which are in the possession of an outside party, will not be returned to the entity if the counterparty fails. The District is a participant in the WCIP. Balances in the WCIP are covered by one or more of the following: Federal depository insurance, the Securities Investor Protection Corporation, collateral held by the District's agent in the District's name, or by collateral held by depositories in the name of the Nevada Collateral Pool, and the balances are not exposed to custodial credit risk.

**Note 4 - Capital Assets**

Capital asset activity for the year ended June 30, 2017 was as follows:

**Governmental Activities**

	TMFPD 7/1/2016, Balance	SFPD 7/1/2016, Balance	Balance 7/1/2016, as restated	Increases	Decreases	Balance June 30, 2017
Capital assets, not being depreciated						
Land	\$ 2,073,174	\$ 121,000	\$ 2,194,174	\$ -	\$ -	\$ 2,194,174
Construction in progress	206,555	51,114	257,669	1,471,534	(719,991)	1,009,212
Total capital assets, not being depreciated	<u>2,279,729</u>	<u>172,114</u>	<u>2,451,843</u>	<u>1,471,534</u>	<u>(719,991)</u>	<u>3,203,386</u>
Capital assets, being depreciated						
Land improvements	344,132	24,105	368,237	25,110	-	393,347
Buildings and building improvements	11,942,390	2,901,259	14,843,649	24,490	-	14,868,139
Vehicles and equipment	14,383,001	3,307,257	17,690,258	1,285,976	(661,295)	18,314,939
Total capital assets, being depreciated	<u>26,669,523</u>	<u>6,232,621</u>	<u>32,902,144</u>	<u>1,335,576</u>	<u>(661,295)</u>	<u>33,576,425</u>
Less accumulated depreciation for						
Land improvements	(198,376)	(10,150)	(208,526)	(19,303)	-	(227,829)
Buildings and building improvements	(4,341,085)	(392,041)	(4,733,126)	(441,482)	-	(5,174,608)
Vehicles and equipment	(6,738,197)	(1,850,729)	(8,588,926)	(887,677)	613,624	(8,862,979)
Total accumulated depreciation	<u>(11,277,658)</u>	<u>(2,252,920)</u>	<u>(13,530,578)</u>	<u>(1,348,462)</u>	<u>613,624</u>	<u>(14,265,416)</u>
Total capital assets, being depreciated, net	<u>15,391,865</u>	<u>3,979,701</u>	<u>19,371,566</u>	<u>(12,886)</u>	<u>(47,671)</u>	<u>19,311,009</u>
Governmental activities capital assets, net	<u>\$ 17,671,594</u>	<u>\$ 4,151,815</u>	<u>\$ 21,823,409</u>	<u>\$ 1,458,648</u>	<u>\$ (767,662)</u>	<u>\$ 22,514,395</u>

The increase in accumulated depreciation includes depreciation expense of \$1,348,462 charged to the public safety function.

**Note 5 - Long-Term Liabilities**

The District does not have any general obligation bonds outstanding as of June 30, 2017. Long-term liability activity for the year ended June 30, 2017, was as follows:

	Amount Outstanding July 1, 2016	Additions	Reductions	Amount Outstanding June 30, 2017	Due Within One Year
Compensated absences	\$ 1,987,264	\$ 1,413,611	\$ 1,071,132	\$ 2,329,743	\$ 1,330,050
Claims and judgments	533,000	2,543,610	1,747,481	1,329,129	96,133
Tax refund	-	373,272	-	373,272	62,212
	<u>\$ 2,520,264</u>	<u>\$ 4,330,493</u>	<u>\$ 2,818,613</u>	<u>\$ 4,032,144</u>	<u>\$ 1,488,395</u>

The tax refund liability of \$373,272 consists of a pending refund due to the State of Nevada-Department of Taxation for overpaid Nevada State Use taxes. Compensated absences and the net pension liability are generally liquidated from the General Fund and claims and judgments are liquidated from the Workers' Compensation Internal Service Fund.

**Note 6 - Interfund Activity**

Interfund transfers for the year ended June 30, 2017 consisted of the following:

	Transfer in			Total Transfers out
	General Fund	Capital Projects Fund	Workers' Compensation Fund	
Transfers out				
General Fund	\$ -	\$ 6,300,000	\$ 350,000	\$ 6,650,000
Health Benefits Fund	616,544	-	-	616,544
	<u>\$ 616,544</u>	<u>\$ 6,300,000</u>	<u>\$ 350,000</u>	<u>\$ 7,266,544</u>
Total transfers in				

The transfer from the General Fund to the Capital Projects Fund was used to move unrestricted, one-time savings to fund one-time capital outlay expenditures. The transfer from the General Fund to the Workers' Compensation Fund was to fund higher than anticipated workers' compensation claims. The transfer from the Health Benefits Internal Service Fund to the General Fund was used to close the Health Benefits Internal Service Fund. The District is fully insured for employee health benefits; therefore the use of the internal service fund is no longer necessary.

**Note 7 - Postemployment Health Care Benefits**

**Plan Description and Eligibility**

Prior to July 1, 2000, the District provided health insurance benefits to retired employees through a single-employer defined benefit plan. At June 30, 2000, ten retirees were participating in the District's health benefits program. On July 1, 2000, pursuant to an Interlocal Agreement for Fire Services and Consolidation, District fire operations were transferred to the City of Reno and the City accepted liability for the ten retirees under this plan. In accordance with the Interlocal Agreement, the District pays a proportionate share of employees' retiree health benefit costs based on service earned prior to July 1, 2000, for those employees who transferred employment to the City of Reno and retired prior to June 30, 2012 or during the term of the Interlocal Agreement. Health benefits under the City's plan included medical, prescription, vision, dental and life insurance. As of July 1, 2010, the Plan is administered through an irrevocable trust, Washoe County, Nevada OPEB Trust (Trust), established on May 11, 2010, by the Board of Washoe County Commissioners. The Trust, a multiple-employer trust, was created to fund and account for the participating employers' costs of retiree healthcare benefits pursuant to Nevada Revised Statutes 287.017. The District is a participating employer in the Trust. Complete financial statements of the Trust may be obtained by writing to: OPEB Trust, c/o Washoe County Comptroller's Office, P.O. Box 11130, Reno, Nevada, 89520.

The Interlocal Agreement was terminated on June 30, 2012, and the District assumed responsibility for its own fire district operations as of July 1, 2012. As of June 30, 2012, in preparation of standing up the new fire operations, 11 former Reno firefighters transferred to the District with the provision the District would provide retiree health benefits for those 11 employees. Any former District employees remaining employed by the City of Reno as of July 1, 2012 retained retiree health benefits with the City and the City retained the liability for those employees. Benefits under the new District plan, a single-employer defined benefit plan, include health, dental, vision and prescription coverage. Eligible retirees who retire from the District will be required to pay for 50% of the retirees' health insurance premium and 100% of the cost of coverage for their families. Eligibility requirements, benefit levels, employee contributions and employer contributions may be amended by the mutual agreement of the Truckee Meadows Fire Protection District and the District's Fire Firefighters' Association.

**Funding Policy and Annual OPEB Cost**

The amount of annual contributions each year are established through the annual budget process by the District's Board of Fire Commissioners and may be amended through negotiations with the employee association. The required contributions are based on projected pay-as-you-go financing requirements, with an additional amount, generally equal to the normal cost, to prefund benefits.

The annual OPEB Cost, the percentage of OPEB cost contributed to the Trust, and the net OPEB obligation (asset) at June 30, 2017 and the two preceding years were as follows:

Fiscal Year Ended June 30,	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
2015	\$ 214,891	\$ -	0.00%	\$ (786,447)
2016	257,678	-	0.00%	(528,769)
2017	488,496	-	0.00%	2,799,509

The net OPEB obligation (asset) as of June 30, 2017, was calculated as follows:

Determination of Annual Required Contribution:

Normal cost	\$ 436,941
Amortization of Unfunded Actuarial Accrued Liability (UAAL)	<u>126,921</u>
Annual Required Contribution (ARC)	<u><u>\$ 563,862</u></u>

Determination of Net OPEB Obligation (Asset):

Annual Required Contribution	\$ 563,862
Interest on prior year net OPEB obligation (asset)	161,771
Adjustment to ARC	<u>(237,137)</u>

Annual OPEB Cost	488,496
Retiree benefit plan costs paid by district	-
District contributions made to OPEB Trust	<u>-</u>

Change in net OPEB obligation (asset) 488,496

Net OPEB Obligation (Asset), Beginning of Year, as restated 2,311,013

Net OPEB Obligation (Asset), End of Year \$ 2,799,509

The funded status as of the most recent actuarial valuation was as follows:

Actuarial valuation date	July 1, 2016
Accrued actuarial liability (a)	\$ 6,128,670
Actuarial value of plan assets (b)	<u>4,972,679</u>
Unfunded actuarial accrued liability (asset) (a-b)	<u>\$ 1,155,991</u>
Funded ratio (b/a)	81.1%
Covered payroll* (active plan members) (c)	\$ 8,442,493
Unfunded actuarial accrued liability (asset) as a percentage of covered payroll [(a - b)/c]	13.69%

\*The covered payroll for active plan members for the District's retiree group medical plan reported above represents salaries and wages for the 9 former Reno firefighters who transferred from the City of Reno to the District in June 2012 and who were still employed by the District at June 30, 2017 as well as employees who were hired by the District prior to July 1, 2014. The UAAL shown includes the District's proportionate share of the liability, based on service earned prior to July 1, 2000 for the 43 employees who transferred employment to the City of Reno and retired during the term of the Interlocal Agreement as well as current eligible employees.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far in the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information. The schedule will show whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

#### **Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

An actuarial valuation of retiree health and life benefits was completed as of July 1, 2014, using the Projected Unit Credit Method. Significant actuarial assumptions used were a 7.00% effective annual discount rate and an initial 9.84% health cost trend for non-Medicare and 7.00% for Medicare. The non-Medicare health cost trend assumes a staggered decline before an ultimate trend rate of 4.75% for 2074 and beyond. The Medicare health cost trend assumes a staggered decline before an ultimate trend rate of 5.00% for 2075 and beyond. The actuarial assumptions also assume that Medicare will be the primary coverage once the retiree reaches the age of 65. The Actuarial Accrued Liability (AAL) is the actuarial present value of benefits attributed to employee service rendered prior to the valuation date. The AAL equals the present value of benefits multiplied by a fraction equal to service date over service at expected retirement. The Normal Cost is the actuarial present value of benefits attributed to one year of service. This equals the present value of benefits divided by service at expected retirement. The plan's unfunded actuarial accrued liability is being amortized as a level dollar amount over a 15 year closed amortization period.

## **Note 8 - Defined Benefit Pension Plan**

### **Plan Description**

The District contributes to the Public Employees' Retirement System of the State of Nevada (PERS). PERS administers a cost-sharing, multiple-employer, defined benefit public employees' retirement system which includes both Regular and Police/Fire members. PERS was established by the Nevada Legislature in 1947, effective July 1, 1948. PERS is administered to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earnings capacities have been removed or substantially impaired by age or disability.

### **Benefits Provided**

Benefits, as required by the Nevada Revised Statutes (NRS or statute), are determined by the number of years of accredited service at time of retirement and the member's highest average compensation in any 36 consecutive months with special provisions for members entering PERS on or after January 1, 2010 and July 1, 2015. Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits.

Monthly benefit allowances for members are computed as 2.5% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this multiplier is 2.67% of average compensation. For members entering PERS on or after January 1, 2010, there is a 2.5% multiplier, and for members entering on or after July 1, 2015, there is a 2.25% multiplier. PERS offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death.

Post-retirement increases are provided by authority of NRS 286.575 - .579.

### **Vesting**

Regular members are eligible for retirement at age 65 with five years of service, at age 60 with 10 years of service, or at any age with thirty years of service. Regular members entering PERS on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or age 62 with 10 years of service, or any age with thirty years of service. Regular members entering PERS on or after July 1, 2015 are eligible for retirement at age 65 with five years of service, or at age 62 with ten years of service, or at age 55 with thirty years of service, or at any age with 33 1/3 years of service.

Police/Fire members are eligible for retirement at age 65 with five years of service, at age 55 with ten years of service, at age 50 with twenty years of service, or at any age with twenty-five years of service. Police/Fire members entering PERS on or after January 1, 2010, are eligible for retirement at 65 with five years of service, or age 60 with ten years of service, or age 50 with twenty years of service, or at any age with thirty years of service. Only service performed in a position as a police officer or firefighter may be counted towards to eligibility for retirement as Police/Fire accredited service.

The normal ceiling limitation on monthly benefits allowances is 75% of average compensation. However, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit of up to 90% of average compensation. Both Regular and Police/Fire members become fully vested as to benefits upon completion of five years of service.

**Contributions**

The authority for establishing and amending the obligation to make contributions and member contribution rates, is set by statute. New hires, in agencies which did not elect the Employer-Pay Contribution (EPC) plan prior to July 1, 1983, have the option of selecting one of two contribution plans. Contributions are shared equally by employer and employee. Employees can take a reduced salary and have contributions made by the employer (EPC) or can make contributions by a payroll deduction matched by the employer.

PERS' basic funding policy provides for periodic contributions at a level pattern of cost as a percentage of salary throughout an employee's working lifetime in order to accumulate sufficient assets to pay benefits when due.

PERS receives an actuarial valuation on an annual basis indicating the contribution rates required to fund PERS on an actuarial reserve basis. Contributions actually made are in accordance with the required rates established by the Nevada Legislature. These statutory rates are increased/decreased pursuant to NRS 286.421 and 286.450.

The actuary funding method used is the Entry Age Normal Cost Method. It is intended to meet the funding objective and result in a relatively level long-term contributions requirement as a percentage of salary.

For the fiscal years ended June 30, 2016 and 2017 the Statutory Employer/employee matching rates were 14.50% for Regular and 20.75% for Police/Fire. The Employer-pay contribution (EPC) rate for fiscal years ending June 30, 2016 and 2017 was 28.00% for Regular and 40.50% for Police/Fire.

The District's contributions were \$3,793,840 for the year ended June 30, 2017.

**PERS Investment Policy**

PERS' policies which determine the investment portfolio target asset allocation are established by the PERS Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of the System.

The following was the PERS Board adopted policy target asset allocation as of June 30, 2016:

Asset Class	Target Allocation	Long-term Geometric Expected Real Rate of Return
Domestic Equity	42%	5.50%
International Equity	18%	5.75%
Domestic Fixed Income	30%	0.25%
Private Markets	10%	6.80%

As of June 30, 2016, PERS' long-term inflation assumption was 3.5%.

**Net Pension Liability**

At June 30, 2017, the District reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's allocation percentage of the net pension liability was based on the District's total contributions due on wages paid during the measurement period. The District's proportion of the net pension liability is based on its combined employer and member contributions relative to the total combined employer and member contributions for all employers for the period ended June 30, 2016. At June 30, 2016, the District's proportion was .21696 percent, which is a decrease of .00433 from the portion measured as of June 30, 2015.

**Pension Liability Discount Rate Sensitivity**

The following presents the net pension liability of the District as of June 30, 2016, calculated using the discount rate of 8.00%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00%) or 1-percentage-point higher (9.00%) than the current discount rate:

	1% Decrease in Discount Rate (7.00%)	Discount Rate (8.00%)	1% Increase in Discount Rate (9.00%)
Net Pension Liability	\$ 42,797,396	\$ 29,197,203	\$ 17,882,010

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the PERS Comprehensive Annual Financial Report, available on the PERS website.

**Actuarial Assumptions**

The District's net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation Rate	3.50%
Payroll Growth	5.00% including inflation
Investment Rate of Return	8.00%
Productivity Pay Increase	0.75%
Projected Salary Increases	Regular: 4.60% to 9.75%, depending on service Police/Fire: 5.25% to 14.5%, depending on service Rates include inflation and productivity increases
Consumer Price Index	3.50%
Other Assumptions	Same as those used in the June 30, 2016 funding actuarial valuation



Mortality rates for non-disabled male regular members were based on the RP-2000 Combined Healthy Mortality Table projected to 2013 with Scale AA. Mortality rates for non-disabled female regular members were based on the RP-2000 Combined Healthy Mortality Table, projected to 2013 with Scale AA, set back one year. Mortality rates for all non-disabled police/fire members were based on the RP-2000 Combined Healthy Mortality Table projected to 2013 with Scale AA, set forward one year. The mortality table used in the actuarial valuation to project mortality rates for all disabled regular members and all disabled police/fire members is the RP-2000 Disabled Retiree Mortality Table projected to 2013 with Scale AA, set forward three years.

Actuarial assumptions used in the June 30, 2016 valuation were based on the results of the experience review completed in 2013.

The discount rate used to measure the total pension liability was 8.00% as of June 30, 2016. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the pension plan's fiduciary net position at June 30, 2016, was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2016.

**Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2017, the District recognized pension expense of \$4,091,777. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 1,955,120
Changes in assumptions or other inputs		
Net difference between projected and actual earnings on pension plan investments	2,714,243	-
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	1,929,221	473,584
District contributions subsequent to the measurement date	3,793,840	-
Total	\$ 8,437,304	\$ 2,428,704

Deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date in the amount of \$3,793,840 will be recognized as a reduction of the net pension liability in the year ending June 30, 2018.

The average of the expected remaining service lives of all employees that are provided with pensions through PERS (active and inactive employees) determined at July 1, 2015 (the beginning of the measurement period ended June 30, 2016) is 6.48 years.

Other estimated amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30,</u>	
2018	\$ 110,285
2019	110,285
2020	1,297,646
2021	790,609
2022	(33,324)
Thereafter	<u>(60,741)</u>
Total	<u>\$ 2,214,760</u>

**Additional Information**

The PERS Comprehensive Annual Financial Report (CAFR) is available on the PERS website at [www.nvpers.org](http://www.nvpers.org) under Quick Links – Publications.

**Note 9 - Risk Management**

The District is exposed, as are all entities, to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has joined together with similar public agencies throughout the State of Nevada to create a pool, Nevada Public Agency Insurance Pool (NPAIP), under the Nevada Interlocal Cooperation Act. Property and liability is fully insured with NPAIP with a \$5,000 deductible. The District pays an annual premium to the Pool for its general insurance coverage. The Pool is considered a self-sustaining risk pool that provides coverage for its members up to \$10 million per event. Property, crime and equipment breakdown coverage is provided to its members up to \$300,000,000 per loss with various sub-limits established for earthquake, flood, equipment breakdown, and money and securities.

The District self-funded its health benefits until June 1, 2013. The Health Benefits fund was established to account for life insurance, medical, prescription, dental and vision programs. The self-funded plans contained within the Health Benefits fund are handled through contracts with an external claims administrator and through the purchase of various insurance plans. As of June 1, 2013, the District purchased a guaranteed health benefit plan and is no longer self-funded.

During the term of the Reno/Truckee Meadows Fire Protection District Interlocal Agreement, workers' compensation was fully insured with the City of Reno's self-funded workers' compensation plan. Due to the termination of the Agreement, as of July 1, 2012, the District is no longer self-funded with the City of Reno but has purchased a guaranteed workers compensation insurance plan. However, the District is still required to pay workers' compensation claims costs to the City of Reno for those years the District was self-funded through the City of Reno's workers' compensation plan.

During the fiscal year ended June 30, 2004, the District and the City of Reno instituted a "pay as you go" system for workers' compensation claims. The District shared the combined losses with the Reno Fire Department (RFD). Each year, the District was assigned the portion of paid losses corresponding to the ratio of employees originally transferred from the District to the total number of current RFD employees. The ratio applied to the District for the fiscal year ended June 30, 2012, which was the last fiscal year of the Agreement, was 25%. The

District established the Workers' Compensation Fund to account for this program. During the fiscal year ended June 30, 2017, the TMFPD paid the City of Reno \$1,548,405 for the purpose of buying out its final year of workers' compensation liability for fiscal year 2012. Claims incurred prior to fiscal year 2012 remain the liability of the City of Reno under the buyout agreement. TMFPD will remain responsible for future Heart and Lung related workers' compensation claims on a "pay as you go" system.

Claims' liability and activity for the past two years were as follows:

Claims liability, July 1, 2015	\$	855,000
Claims and changes in estimates		166,623
Claims paid		<u>(488,623)</u>
Claims liability, June 30, 2016		533,000
Claims and changes in estimates		2,543,610
Claims paid		<u>(1,747,481)</u>
Claims liability, June 30, 2017	\$	<u><u>1,329,129</u></u>

**Note 10 - Tax Abatement**

The District's tax revenues were reduced by \$323,820 under agreements entered into by the State Nevada. The state agreements include a partial abatement of one or more of personal property and local sales and use taxes imposed on aircraft, components of aircraft and other personal property used for certain purposes related to aircraft, a partial abatement of one or more of property and local sales and use taxes imposed on a new or expanded data center and a partial abatement of sales and use taxes imposed on eligible machinery or equipment used by certain new or expanded businesses.

**Note 11 - Merger – Sierra Fire Protection District**

Effective July 1, 2016, the District merged with Sierra Fire Protection District (SFPD) in accordance with Washoe County Ordinance 1577. All of the Sierra Fire Protection District's fire services, powers, functions, responsibilities and obligations conferred upon and exercised by the Sierra Fire Protection District were assumed by the District.

Truckee Meadows Fire Protection District  
Notes to Financial Statements  
June 30, 2017

In accordance with GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*, SFPD was merged into the District, with the District as the continuing entity. As such, the net Position and fund balances of SFPD, after applicable adjustments and eliminations, as of the beginning of the District's fiscal year, July 1, 2016 were combined with the District as of that date, resulting in a restatement of the District's beginning net position of \$4,088,643, General Fund beginning fund balance of \$2,096,972 and Emergency Special Revenue Fund beginning fund balance of \$640,386. The revenues and expenditures of SFPD were accounted for and incorporated into the District from July 1, 2016 forward.

The following table presents the financial position of SFPD's General Fund and Emergency Special Revenue Fund as of July 1, 2016:

	General Fund	Wildland Fire Emergency Fund
<b>Assets</b>		
Cash and investments	\$ 1,743,222	\$ 640,386
Taxes receivable	49,099	-
Due from other governments	346,933	-
Interest receivable	6,397	-
Total assets	\$ 2,145,651	\$ 640,386
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$ 9,427	\$ -
<b>Deferred Inflows of Resources</b>		
Unavailable revenues Property taxes	39,252	-
<b>Fund Balances</b>		
Restricted	-	640,386
Assigned	2,096,972	-
Total fund balances	2,096,972	640,386
Total liabilities, deferred inflows of resources, and fund balances	\$ 2,145,651	\$ 640,386

The District reclassified SFPD's net OPEB asset to offset the District's net OPEB liability. Prior to the merger, all SFPD employees transferred to the District under the terms of an Interlocal Agreement for Fire Services and Consolidation between the two Districts. The health insurance benefits for SFPD were through the Truckee Meadows Fire Protection District Retiree Group Medical Plan; however, the liability for the payment for those retiree health benefits was retained by each District. As part of the merger, the liability for the payment of retiree health benefits is retained in total by the District.

Truckee Meadows Fire Protection District  
Notes to Financial Statements  
June 30, 2017

The following table presents the financial position of SFPD and the District as of July 1, 2016, adjustments and restated balances:

	TMFPD June 30, 2016	SFPD June 30, 2016	Adjustments	Merged Balances July 1, 2016
<b>Assets</b>				
Cash and investments	\$ 23,449,768	\$ 2,383,608	\$ -	\$ 25,833,376
Accounts receivable	141,966	-	-	141,966
Taxes receivable	102,242	49,099	-	151,341
Due from other governments	1,451,072	346,933	-	1,798,005
Interest receivable	59,048	6,397	-	65,445
Deposits	6,432	-	-	6,432
Net OPEB asset	528,769	-	(528,769)	-
Capital assets, not being depreciated	2,279,729	172,114	-	2,451,843
Capital assets, net of accumulated depreciati	15,391,865	3,979,701	-	19,371,566
Total assets	<u>43,410,891</u>	<u>6,937,852</u>	<u>(528,769)</u>	<u>49,819,974</u>
<b>Deferred Outflows of Resources</b>				
Pension related amounts	5,749,113	-	-	5,749,113
<b>Liabilities</b>				
Accounts payable and accrued liabilities	1,314,967	9,427	-	1,324,394
Due to other governments	133,368	-	-	133,368
Unearned reveune	13,122	-	-	13,122
<b>Noncurrent liabilities</b>				
Due within one year				
Claims and judgments	533,000	-	-	533,000
Compensated absences	1,145,260	-	-	1,145,260
Due in more than one year				
Compensated absences	842,004	-	-	842,004
Other postemployment benefits	-	2,839,782	(528,769)	2,311,013
Net pension liability	25,358,762	-	-	25,358,762
Total liabilities	<u>29,340,483</u>	<u>2,849,209</u>	<u>(528,769)</u>	<u>31,660,923</u>
<b>Deferred Inflows of Resources</b>				
Pension related amounts	3,281,017	-	-	3,281,017
<b>Net Position</b>				
Investment in capital assets	17,671,594	4,151,815	-	21,823,409
<b>Restricted for</b>				
Wildland fire emergencies	659,745	640,386	-	1,300,131
Capital projects	7,022,011	-	-	7,022,011
Claims	3,908,425	-	-	3,908,425
Unrestricted	(12,723,271)	(703,558)	-	(13,426,829)
Total net position	<u>\$ 16,538,504</u>	<u>\$ 4,088,643</u>	<u>\$ -</u>	<u>\$ 20,627,147</u>



Required Supplementary Information

# Truckee Meadows Fire Protection District

Truckee Meadows Fire Protection District  
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund  
(Budgetary Basis)  
Year Ended June 30, 2017  
(Page 1 of 2)

	2017 Budgeted Amounts		2017	
	Original	Final	Actual	Variance with Final Budget
Revenues				
Taxes				
Ad valorem, general	\$ 16,662,942	\$ 16,662,942	\$ 16,784,509	\$ 121,567
Ad valorem, AB 104	195,000	195,000	242,411	47,411
Licenses and permits				
Gaming, AB 104	3,500	3,500	123,928	120,428
Other	1,000	1,000	1,280	280
Intergovernmental				
Consolidated taxes	7,630,189	7,630,189	7,713,537	83,348
Real property transfer tax, AB 104	42,083	42,083	74,386	32,303
Supplemental city/county relief tax, AB 104	940,480	940,480	1,224,262	283,782
Interlocal cooperative agreement fire suppression	554,204	554,204	590,999	36,795
Local contributions	3,033,909	3,033,909	-	(3,033,909)
Charges for services				
Services to other agencies	10,000	10,000	10,000	-
Other	800	800	1,280	480
Miscellaneous				
Investment earnings	130,000	130,000	189,843	59,843
Net increase (decrease) in the fair value of investments	-	-	(200,539)	(200,539)
Reimbursements	500	500	365,576	365,076
Other	32,504	32,504	29,459	(3,045)
Total revenues	<u>29,237,111</u>	<u>29,237,111</u>	<u>27,150,931</u>	<u>(2,086,180)</u>
Expenditures				
Current				
Public safety function				
Fire				
Salaries and wages	13,187,423	13,187,423	12,478,928	708,495
Employee benefits	7,088,476	7,088,476	6,507,985	580,491
Services and supplies	5,328,844	5,328,844	4,098,551	1,230,293
Capital outlay	-	-	35,970	(35,970)
Total expenditures	<u>25,604,743</u>	<u>25,604,743</u>	<u>23,121,434</u>	<u>2,483,309</u>
Excess (Deficiency) of Revenues over Expenditures	<u>3,632,368</u>	<u>3,632,368</u>	<u>4,029,497</u>	<u>397,129</u>

Continued

Truckee Meadows Fire Protection District  
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund  
(Budgetary Basis)  
Year Ended June 30, 2017  
(Page 2 of 2)

	2017 Budgeted Amounts		2017	
	Original	Final	Actual	Variance with Final Budget
Other Financing Sources (Uses)				
Proceeds from asset disposition	\$ -	\$ -	\$ 29,593	\$ 29,593
Transfers in				
Health Benefits Fund	638,592	638,592	616,544	(22,048)
Transfers out				
Capital Projects Fund	(6,300,000)	(6,300,000)	(6,300,000)	-
Workers' Compensation	-	(350,000)	(350,000)	-
Sick Annual Comp Benefits	(600,000)	(600,000)	(600,000)	-
Contingency	(350,000)	-	-	-
Total other financing sources (uses)	<u>(6,611,408)</u>	<u>(6,611,408)</u>	<u>(6,603,863)</u>	<u>7,545</u>
Net Change in Fund Balances	<u>(2,979,040)</u>	<u>(2,979,040)</u>	<u>(2,574,366)</u>	<u>404,674</u>
Fund Balances, Beginning of Year	9,755,783	9,755,783	10,619,291	863,508
Prior Period Adjustment	-	-	2,096,972	2,096,972
Fund Balances, Beginning of Year, as Restated	<u>9,755,783</u>	<u>9,755,783</u>	<u>12,716,263</u>	<u>2,960,480</u>
Fund Balances, End of Year	<u>\$ 6,776,743</u>	<u>\$ 6,776,743</u>	<u>\$ 10,141,897</u>	<u>\$ 3,365,154</u>



Truckee Meadows Fire Protection District  
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Major Special  
Revenue Fund – Emergency Fund  
Year Ended June 30, 2017

	2017 Budgeted Amounts		2017	
	Original	Final	Actual	Variance with Final Budget
Revenues				
Miscellaneous				
Other	\$ 640,386	\$ 640,386	\$ 851,450	\$ 211,064
Expenditures				
Public safety function				
Fire				
Salaries and wages	850,000	850,000	720,855	129,145
Employee benefits	25,000	25,000	12,334	12,666
Services and supplies	290,000	290,000	224,521	65,479
Total expenditures	<u>1,165,000</u>	<u>1,165,000</u>	<u>957,710</u>	<u>207,290</u>
Net Change in Fund Balances	<u>(524,614)</u>	<u>(524,614)</u>	<u>(106,260)</u>	<u>418,354</u>
Fund Balances, Beginning of the Year	653,002	653,002	658,264	5,262
Prior Period Adjustment	<u>-</u>	<u>-</u>	<u>640,386</u>	<u>640,386</u>
Fund Balances, Beginning of the Year, as Restated	<u>653,002</u>	<u>653,002</u>	<u>1,298,650</u>	<u>645,648</u>
Fund Balances, End of Year	<u><u>\$ 128,388</u></u>	<u><u>\$ 128,388</u></u>	<u><u>\$ 1,192,390</u></u>	<u><u>\$ 1,064,002</u></u>

Truckee Meadows Fire Protection District

Reconciliation of the General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Budgetary Basis) to the General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (GAAP Basis)  
Year Ended June 30, 2017

	General Fund (Budgetary Basis)	Internally Reported Funds	Eliminations	General Fund (GAAP Basis)
<b>Revenues</b>				
Taxes	\$ 17,026,920	\$ -	\$ -	\$ 17,026,920
Licenses and permits	125,208	-	-	125,208
Intergovernmental	9,603,184	-	-	9,603,184
Charges for services	11,280	-	-	11,280
Miscellaneous	384,339	861	-	385,200
<b>Total revenues</b>	<b>27,150,931</b>	<b>861</b>	<b>-</b>	<b>27,151,792</b>
<b>Expenditures</b>				
Current				
Public safety	23,085,464	82,170	-	23,167,634
Capital Outlay	35,970	-	-	35,970
<b>Total expenditures</b>	<b>23,121,434</b>	<b>82,170</b>	<b>-</b>	<b>23,203,604</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>4,029,497</b>	<b>(81,309)</b>	<b>-</b>	<b>3,948,188</b>
<b>Other Financing Sources (Uses)</b>				
Proceeds from asset disposition	29,593	-	-	29,593
Transfers in	616,544	600,000	(600,000)	616,544
Transfers out	(7,250,000)	-	600,000	(6,650,000)
<b>Total other financing sources (uses)</b>	<b>(6,603,863)</b>	<b>600,000</b>	<b>-</b>	<b>(6,003,863)</b>
<b>Net Change in Fund Balances</b>	<b>(2,574,366)</b>	<b>518,691</b>	<b>-</b>	<b>(2,055,675)</b>
<b>Fund Balances, Beginning of Year</b>	<b>10,619,291</b>	<b>926,057</b>	<b>-</b>	<b>11,545,348</b>
<b>Prior Period Adjustment</b>	<b>2,096,972</b>	<b>-</b>	<b>-</b>	<b>2,096,972</b>
<b>Fund Balances, Beginning of Year as Restated</b>	<b>12,716,263</b>	<b>926,057</b>	<b>-</b>	<b>13,642,320</b>
<b>Fund Balances, End of Year</b>	<b>\$ 10,141,897</b>	<b>\$ 1,444,748</b>	<b>\$ -</b>	<b>\$ 11,586,645</b>

Truckee Meadows Fire Protection District  
Schedule of Funding Progress – Other Postemployment Benefits  
June 30, 2017

Actuarial Valuation Date	Actuarial Accrued Liability (AAL) (a)	Actuarial Value of Plan Assets (b)	Unfunded AAL (UALL) (a-b)	Funded Ratio (b/a)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(a-b)/c]
7/1/2013	\$ 4,079,936	\$ 3,573,083	\$ 506,853	87.58%	\$ 797,886	63.52 %
7/1/2014	3,293,617	3,981,559	(687,942)	120.89%	5,034,484	(13.66)%
7/1/2016	6,128,670	4,972,679	1,155,991	81.14%	8,442,493	13.69%

**Truckee Meadows Fire Protection District**  
 Schedule of District's Share of Net Pension Liability  
 Public Employee's Retirement System of Nevada (PERS)  
 Last Ten Fiscal Years

	2016	2015	2014
District's portion of net the pension liability	0.21696%	0.22129%	0.20583%
District's proportionate share of the net pension liability	\$ 29,197,203	\$ 25,358,762	\$ 21,451,071
District's covered payroll	\$ 9,271,513	\$ 8,435,593	\$ 7,783,987
District's proportional share of the net pension liability as a percentage of its covered payroll	314.91%	300.62%	275.58%
Plan fiduciary net position as a percentage of the total pension liability	72.23%	75.13%	76.31%

\* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

Truckee Meadows Fire Protection District  
Schedule of District's Contributions  
Public Employee's Retirement System of Nevada (PERS)  
Last Ten Fiscal Years

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	2017	2016	2015
Statutorily required contribution	\$ 3,793,840	\$ 3,671,552	\$ 3,415,736
Contributions in relation to the statutorily required contribution	\$ 3,793,840	\$ 3,671,552	\$ 3,415,736
Contribution (deficiency) excess	\$ -	\$ -	\$ -
Employer's covered payroll	\$ 9,340,999	\$ 9,271,513	\$ 8,435,593
Contributions as a percentage of covered payroll	40.61%	39.60%	40.49%

\* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

**Note 1 - Internally Reported (Budgetary Basis) Funds**

The accompanying Reconciliation of the General Fund (Budgetary Basis) to the General Fund (GAAP Basis) presents balances combined for external reporting purposes.

Budget to actual comparisons are presented for all funds of the District, as required by Nevada Revised Statutes. Such budget comparisons are required to be presented using the budget as adopted and approved by the State of Nevada Department of Taxation. However, guidance provided by Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, specifies that two of these internally reported funds of the District do not meet the definition of special revenue funds and do not qualify to be separately presented for external reporting purposes.

These internally reported special revenue funds of the District (Sick Annual Comp Benefits Fund and Stabilization Fund) are combined with the General Fund for external reporting purposes.

**Note 2 - Schedule of Funding Progress**

Effective July 1, 2016, the District merged with Sierra Fire Protection District (SFPD) in accordance with Washoe County Ordinance 1577. All of the Sierra Fire Protection District's fire services, powers, functions, responsibilities and obligations conferred upon and exercised by the Sierra Fire Protection District were assumed by the District. As such, the net Position and fund balances of SFPD, after applicable adjustments and eliminations, as of the beginning of the District's fiscal year, July 1, 2016 were combined with the District

The District reclassified SFPD's net OPEB asset to offset the District's net OPEB liability. Prior to the merger, all SFPD employees transferred to the District under the terms of an Interlocal Agreement for Fire Services and Consolidation between the two Districts. The health insurance benefits for SFPD were through the Truckee Meadows Fire Protection District Retiree Group Medical Plan; however, the liability for the payment for those retiree health benefits was retained by each District. As part of the merger, the liability for the payment of retiree health benefits is retained in total by the District.

The Actuarial Accrued Liability (AAL) increased by \$2,835,053 and covered payroll increased by \$3,408,009 between the actuary valuation dated July 1, 2014 and the actuarial valuation date of July 1, 2016, primarily due to the merger with SFPD. The AAL decreased by \$786,319 between the actuary valuation dated July 1, 2013 and the actuarial valuation date of July 1, 2014, primarily due to a change under the current labor agreement, requiring retirees to enroll in Medicare at 65. Covered payroll increased by \$4,236,598 during this same period due to temporarily opening the plan to allow enrollment of active employees hired prior to July 1, 2014.

The District joined the Washoe County, Nevada OPEB Trust in the fiscal year 2011. Information on employer contributions can be found in the Trust's separately issued OPEB Trust, c/o Washoe County Comptroller's office, PO Box 11130, Reno, NV 89520.



Supplementary Information  
**Truckee Meadows Fire Protection  
District**

**Truckee Meadows Fire Protection District**  
 Reconciliation of the General Fund Balance Sheet (Budgetary Basis) to the General Fund Balance Sheet  
 (GAAP Basis) – Governmental Funds  
 June 30, 2017

	General Fund (Budgetary Basis)	Internally Reported Funds	General Fund (GAAP Basis)
<b>Assets</b>			
Cash and investments	\$ 9,799,838	\$ 1,443,193	\$ 11,243,031
Restricted cash and investments	2,500	-	2,500
Accounts receivable	158,285	-	158,285
Taxes receivable	223,482	-	223,482
Due from other governments	1,746,533	-	1,746,533
Interest receivable	33,610	1,555	35,165
Deposits	6,432	-	6,432
Prepaid	14,657	-	14,657
Total assets	<u>\$ 11,985,337</u>	<u>\$ 1,444,748</u>	<u>\$ 13,430,085</u>
<b>Liabilities</b>			
Accounts payable and accrued liabilities	\$ 1,431,433	\$ -	\$ 1,431,433
Due to other governments	218,991	-	218,991
Total liabilities	<u>1,650,424</u>	<u>-</u>	<u>1,650,424</u>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue			
Property taxes	193,016	-	193,016
<b>Fund Balances</b>			
Nonspendable	21,089	-	21,089
Restricted	2,500	-	2,500
Assigned	4,086,147	1,444,748	5,530,895
Unassigned	6,032,161	-	6,032,161
Total fund balances	<u>10,141,897</u>	<u>1,444,748</u>	<u>11,586,645</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 11,985,337</u>	<u>\$ 1,444,748</u>	<u>\$ 13,430,085</u>



Truckee Meadows Fire Protection District

Combing Balance Sheet – Internally Reported (Budgetary Basis) Funds Reported as Part of the General Fund for  
 External Reporting Purposes  
 June 30, 2017

---

	Sick Annual Comp Benefits Fund	Stabilization Fund	Internally Reported Total
Assets			
Cash and investments	\$ 853,434	\$ 589,759	\$ 1,443,193
Interest receivable	-	1,555	1,555
Total assets	\$ 853,434	\$ 591,314	\$ 1,444,748
Fund Balances			
Assigned	\$ 853,434	\$ 591,314	\$ 1,444,748

Truckee Meadows Fire Protection District

Combing Statement of Revenues, Expenditures, and Changes in Fund Balances – Internally Reported (Budgetary Basis) Funds Reported as Part of the General Fund for External Reporting Purposes  
Year Ended June 30, 2017

	Sick Annual Comp Benefits Fund	Stabilization Fund	Internally Reported Total
Revenues			
Miscellaneous	\$ -	\$ 861	\$ 861
Expenditures			
Current			
Public safety	81,691	479	82,170
Excess (Deficiency) of Revenues over Expenditures	(81,691)	382	(81,309)
Other Financing Sources (Uses)			
Transfers in	600,000	-	600,000
Net Change in Fund Balances	518,309	382	518,691
Fund Balances, Beginning of Year	335,125	590,932	926,057
Fund Balances, End of Year	\$ 853,434	\$ 591,314	\$ 1,444,748

Truckee Meadows Fire Protection District  
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Sick Annual Comp  
Benefits Fund  
Year Ended June 30, 2017

	2017 Budgeted Amounts		2017	
	Original	Final	Actual	Variance with Final Budget
Revenues				
Miscellaneous				
Investment earnings	\$ 10,000	\$ 10,000	\$ -	\$ (10,000)
Expenditures				
Public safety function				
Fire				
Salaries and wages	800,000	800,000	81,691	718,309
Employee benefits	20,000	20,000	-	20,000
Total expenditures	820,000	820,000	81,691	738,309
Excess (Deficiency) of Revenues over Expenditures	(810,000)	(810,000)	(81,691)	728,309
Other Financing Sources (Uses)				
Transfers in				
General Fund	600,000	600,000	600,000	-
Net Change in Fund Balance	(210,000)	(210,000)	518,309	728,309
Fund Balance, Beginning of Year	333,419	333,419	335,125	1,706
Fund Balance, End of Year	\$ 123,419	\$ 123,419	\$ 853,434	\$ 730,015

**Truckee Meadows Fire Protection District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Stabilization Fund**  
**Year Ended June 30, 2017**

	2017 Budgeted Amounts		2017	
	Original	Final	Actual	Variance with Final Budget
Revenues				
Miscellaneous				
Investment earnings	\$ 7,000	\$ 7,000	\$ 7,868	\$ 868
Net increase (decrease) in the fair value of investments	-	-	(7,007)	(7,007)
Total revenues	7,000	7,000	861	(6,139)
Expenditures				
Public safety function				
Fire				
Services and supplies	500,000	500,000	479	499,521
Excess (Deficiency) of Revenues over Expenditures	(493,000)	(493,000)	382	493,382
Fund Balance, Beginning of Year	585,050	585,050	590,932	5,882
Fund Balance, End of Year	\$ 92,050	\$ 92,050	\$ 591,314	\$ 499,264

**Truckee Meadows Fire Protection District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Capital Projects Fund**  
**Year Ended June 30, 2017**

	2017 Budgeted Amounts		2017	
	Original	Final	Actual	Variance with Final Budget
<b>Revenues</b>				
Miscellaneous				
Investment earnings	\$ 50,000	\$ 50,000	\$ 123,065	\$ 73,065
Net decrease in the fair value of investments	-	-	(67,083)	(67,083)
Other	-	-	13,122	13,122
Total revenues	50,000	50,000	69,104	19,104
<b>Expenditures</b>				
Public safety function				
Fire				
Services and supplies	1,192,957	1,192,957	751,743	441,214
Capital outlay	11,285,954	11,285,954	2,378,677	8,907,277
Total expenditures	12,478,911	12,478,911	3,130,420	9,348,491
Excess (Deficiency) of Revenues over Expenditures	(12,428,911)	(12,428,911)	(3,061,316)	9,367,595
<b>Other Financing Sources (Uses)</b>				
Proceeds from asset disposition	-	-	24,257	24,257
Transfers in				
General Fund	6,300,000	6,300,000	6,300,000	-
Total other financing sources (uses)	6,300,000	6,300,000	6,324,257	24,257
Net Change in Fund Balance	(6,128,911)	(6,128,911)	3,262,941	9,391,852
Fund Balance, Beginning of Year	6,656,872	6,656,872	7,022,011	365,139
Fund Balance, End of Year	\$ 527,961	\$ 527,961	\$ 10,284,952	\$ 9,756,991

Truckee Meadows Fire Protection District  
Combining Statement of Net Position – Internal Service Funds  
June 30, 2017

	Governmental Activities		Total
	Workers' Compensation Internal Service Fund	Health Benefits Internal Service Fund	
<b>Assets</b>			
Current assets			
Cash and investments	\$ 2,609,675	\$ -	\$ 2,609,675
Interest receivable	6,371	-	6,371
Total assets	<u>2,616,046</u>	<u>-</u>	<u>2,616,046</u>
<b>Liabilities</b>			
Current liabilities			
Due to other governments	199,076	-	199,076
Claims and judgments	96,133	-	96,133
Total current liabilities	295,209	-	295,209
Noncurrent liabilities			
Claims and judgments	1,232,996	-	1,232,996
Total liabilities	<u>1,528,205</u>	<u>-</u>	<u>1,528,205</u>
<b>Net Position</b>			
Restricted	<u>\$ 1,087,841</u>	<u>\$ -</u>	<u>\$ 1,087,841</u>

Truckee Meadows Fire Protection District  
Combining Statement of Revenues, Expenses, and Changes in Net Position – Internal Service Funds  
Year Ended June 30, 2017

	Governmental Activities		Total
	Workers' Compensation Internal Service Fund	Health Benefits Internal Service Fund	
Operating Expenses			
Services and supplies			
Claims	\$ 2,543,610	\$ -	\$ 2,543,610
Miscellaneous	2,568	-	2,568
Total operating expenses	<u>2,546,178</u>	<u>-</u>	<u>2,546,178</u>
Nonoperating Revenues (Expenses)			
Investment earnings	41,147	-	41,147
Net increase in the fair value of investments	<u>(49,009)</u>	<u>-</u>	<u>(49,009)</u>
Total nonoperating revenues (expenses)	<u>(7,862)</u>	<u>-</u>	<u>(7,862)</u>
Income (Loss) Before Transfers	<u>(2,554,040)</u>	<u>-</u>	<u>(2,554,040)</u>
Transfers			
Transfers in			
General Fund	350,000	-	350,000
Transfers out			
General Fund	<u>-</u>	<u>(616,544)</u>	<u>(616,544)</u>
Total transfers	<u>350,000</u>	<u>(616,544)</u>	<u>(266,544)</u>
Change in Net Position	(2,204,040)	(616,544)	(2,820,584)
Net Position, Beginning of Year	<u>3,291,881</u>	<u>616,544</u>	<u>3,908,425</u>
Net Position, End of Year	<u>\$ 1,087,841</u>	<u>\$ -</u>	<u>\$ 1,087,841</u>

Truckee Meadows Fire Protection District  
Combining Statement of Cash Flows – Internal Service Funds  
Year Ended June 30, 2017

	Governmental Activities		Total
	Workers' Compensation Internal Service Fund	Health Benefits Internal Service Fund	
Operating Activities			
Cash payments for services and supplies	\$ (1,615,762)	\$ -	\$ (1,615,762)
Noncapital Financing Activities			
Transfers in	350,000	-	350,000
Transfers out	-	(616,544)	(616,544)
Net Cash from (used for) Noncapital Financing Activities	350,000	(616,544)	(266,544)
Investing Activities			
Investment earnings	(4,766)	1,267	(3,499)
Net Change in Cash and Cash Equivalents	(1,270,528)	(615,277)	(1,885,805)
Cash and Cash Equivalents, Beginning of Year	3,880,203	615,277	4,495,480
Cash and Cash Equivalents, End of Year	\$ 2,609,675	\$ -	\$ 2,609,675
Reconciliation of operating income (loss) to net cash from (used for) operating activities			
Operating income (loss)	\$ (2,546,178)	\$ -	\$ (2,546,178)
Adjustments to reconcile operating loss to net cash used for operating activities			
Change in			
Due to other governments	134,287	-	134,287
Pending claims	796,129	-	796,129
Total adjustments	930,416	-	930,416
Net Cash used for Operating Activities	\$ (1,615,762)	\$ -	\$ (1,615,762)



**Truckee Meadows Fire Protection District**  
**Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual – Workers’ Compensation Fund**  
**Year Ended June 30, 2017**

	2017 Budgeted Amounts		2017	
	Original	Final	Actual	Variance with Final Budget
Operating Expenses				
Services and supplies				
Claims	\$ 995,000	\$ 1,345,000	\$ 2,543,610	\$ (1,198,610)
Miscellaneous	5,000	5,000	2,568	2,432
Total operating expenses	<u>1,000,000</u>	<u>1,350,000</u>	<u>2,546,178</u>	<u>(1,196,178)</u>
Nonoperating Revenues (Expenses)				
Investment earnings	50,000	50,000	41,147	(8,853)
Net increase (decrease) in the fair value of investments	<u>-</u>	<u>-</u>	<u>(49,009)</u>	<u>(49,009)</u>
Total nonoperating revenues (expenses)	<u>50,000</u>	<u>50,000</u>	<u>(7,862)</u>	<u>(57,862)</u>
Income (Loss) Before Transfers	(950,000)	(1,300,000)	(2,554,040)	(1,254,040)
Transfers In (Out)				
Transfers in General Fund	<u>-</u>	<u>350,000</u>	<u>350,000</u>	<u>-</u>
Change in Net Position	<u>\$ (950,000)</u>	<u>\$ (950,000)</u>	<u>\$ (2,204,040)</u>	<u>\$ (1,254,040)</u>
Net Position, Beginning of Year			<u>3,291,881</u>	
Net Position, End of Year			<u>\$ 1,087,841</u>	

Truckee Meadows Fire Protection District  
Schedule of Cash Flows – Budget and Actual – Workers’ Compensation Fund  
Year Ended June 30, 2017

	2017 Budgeted Amounts		2017	
	Original	Final	Actual	Variance with Final Budget
Operating Activities				
Cash payments for services and supplies	\$ (1,000,000)	\$ (1,350,000)	\$ (1,615,762)	\$ (265,762)
Noncapital Financing Activities				
Transfers in	-	350,000	350,000	-
Investing Activities				
Investment earnings	50,000	50,000	(4,766)	(54,766)
Net Change in Cash and Cash Equivalents	(950,000)	(950,000)	(1,270,528)	(320,528)
Cash and Cash Equivalents, Beginning of Year	4,062,548	4,062,548	3,880,203	(182,345)
Cash and Cash Equivalents, End of Year	\$ 3,112,548	\$ 3,112,548	\$ 2,609,675	\$ (502,873)
Reconciliation of operating income (loss) to net cash from (used for) operating activities				
Operating income (loss)			\$ (2,546,178)	
Adjustments to reconcile operating loss to net cash used for operating activities				
Change in				
Due to other governments			134,287	
Pending claims			796,129	
Total adjustments			930,416	
Net Cash Provided used for Operating Activities			\$ (1,615,762)	

Truckee Meadows Fire Protection District  
 Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual – Health Benefits Fund  
 Year Ended June 30, 2017

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	<u>2017 Budgeted Amounts</u>		<u>2017</u>	
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Transfers In (Out)				
General Fund	\$ (638,592)	\$ (638,592)	\$ (616,544)	\$ 22,048
Change in Net Position	<u>\$ (638,592)</u>	<u>\$ (638,592)</u>	(616,544)	<u>\$ 22,048</u>
Net Position, Beginning of Year			<u>616,544</u>	
Net Position, End of Year			<u>\$ -</u>	

Truckee Meadows Fire Protection District  
Schedule of Cash Flows – Budget and Actual – Health Benefits Fund  
Year Ended June 30, 2017

	2017 Budgeted Amounts		2017	
	Original	Final	Actual	Variance with Final Budget
Noncapital Financing Activities				
Transfers out	\$ (638,592)	\$ (638,592)	\$ (616,544)	\$ 22,048
Investing Activities				
Investment earnings (loss)	-	-	1,267	1,267
Net Change in Cash and Cash Equivalents	(638,592)	(638,592)	(615,277)	23,315
Cash and Cash Equivalents, Beginning of Year	<u>638,592</u>	<u>638,592</u>	<u>615,277</u>	<u>(23,315)</u>
Cash and Cash Equivalents, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

To the Honorable Board of Fire Commissioners  
Truckee Meadows Fire Protection District  
Reno, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Truckee Meadows Fire Protection District (the District) (a component unit of Washoe County, Nevada) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 30, 2017.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Reno, Nevada  
November 30, 2017



## Auditor's Comments

To the Honorable Board of Fire Commissioners  
Truckee Meadows Fire Protection District  
Reno, Nevada

In connection with our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Truckee Meadows Fire Protection District (the District) as of and for the year ended June 30, 2017, and the related notes to the financial statements, nothing came to our attention that caused us to believe that Truckee Meadows Fire Protection District failed to comply with the specific requirements of Nevada Revised Statutes cited below. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's noncompliance with the requirements of Nevada Revised Statutes cited below, insofar as they related to accounting matters.

### **Current Year Statute Compliance**

The required disclosure on compliance with Nevada Revised Statutes and the Nevada Administrative Code is contained in Note 2 of the financial statements.

### **Progress on Prior Year Statute Compliance**

The District reported no instances of noncompliance with significant constraints on its financial administration during the year ended June 30, 2016.

### **Prior Year Recommendations**

The prior year finding 2016-A was corrected.

### **Current Year Recommendations**

We noted no material weaknesses and reported no significant deficiencies in internal control for the current year.

A handwritten signature in black ink that reads "Eide Bailly LLP".

Reno, Nevada  
November 30, 2017



# TRUCKEE MEADOWS FIRE PROTECTION DISTRICT

## STAFF REPORT

Board Meeting Date: January 16, 2018

Fire Chief CM  
Finance CV  
Legal DWV  
Risk Mgt DE  
HR N/A

**DATE:** January 2, 2018  
**TO:** Truckee Meadows Fire Protection District Board of Fire Commissioners  
**FROM:** Charles A. Moore, Fire Chief  
Phone: (775) 328-6123 Email: [cmoore@tmfpd.us](mailto:cmoore@tmfpd.us)  
**SUBJECT:** Accept a donation of ten (10) Complimentary Tasting Passes for Two from Wine Road, Sonoma Co. in support of the Truckee Meadows Fire Protection District's service against the Sonoma County area fires and express appreciation for the thoughtful contribution. (All Commission Districts) FOR POSSIBLE ACTION

### SUMMARY

Accept a donation of ten (10) Complimentary Tasting Passes for Two from Wine Road, Sonoma Co. in support of the Truckee Meadows Fire Protection District's service against the Sonoma County area fires and express appreciation for the thoughtful contribution.

**Strategic Objective supported by this item:** *Safe, Secure and Healthy Communities*

### PREVIOUS ACTION

The Board of Fire Commissioners has accepted donations on several occasions in the past.

### BACKGROUND

The District received ten (10) Complimentary Tasting Passes for Two from Wine Road, Sonoma Co. in support of the Truckee Meadows Fire Protection District's service against the Sonoma County Fires. The District wishes to thank Wine Road Sonoma Co for their thoughtful and kind donation and allocate the passes to the staff who responded to the Sonoma County area fires.

### FISCAL IMPACT

None

### RECOMMENDATION

It is recommended that the Board accept a donation of ten (10) Complimentary Tasting Passes for Two from Wine Road, Sonoma Co. in support of the Truckee Meadows Fire Protection District's service against the Sonoma County area fires and express appreciation for the thoughtful contribution.

### POSSIBLE MOTION

Should the Board agree with staff recommendation, a possible motion could be:

*"I move to accept a donation of ten (10) Complimentary Tasting Passes for Two from Wine Road, Sonoma Co. in support of the Truckee Meadows Fire Protection District's service against the Sonoma County area fires and express appreciation for the thoughtful contribution"*



# WINEROAD

SONOMA Co

December 19, 2017

Wine Country Wildfire First Responders,

As a token of our sincere gratitude, enclosed please find complimentary Wine Road Tasting Passes.

We cannot express how much your hard work saving our precious Sonoma County means to us and our 200 winery and 50 lodging members.

We would love for you to visit us in the upcoming year and enjoy what Sonoma County has to offer.

Thank you again!

*Wine Road Staff and Board of Directors*



## MEMORANDUM

January 8, 2018

**To:** Board of Fire Commissioners  
Truckee Meadows Fire Protection District

**Fm:** Charles A. Moore, Fire Chief

**Re:** **Fire Chief's Report**

Statistical summaries for career and volunteer responses for October 2017 attached to this Memorandum.

I will provide a verbal report on the following issues and provide supporting materials at the meeting:

- Verdi Fire Issues Update
- Deputy Chief of Fire Prevention selection process update
- Summary of calls to Elder Care Facilities
- Update on Automatic Vehicular Location dispatch
- TMWA request for relocation of South Hills pump station to new Station 14.
- Update on Station 14 appraisal and construction progress.



# TRUCKEE MEADOWS FIRE PROTECTION DISTRICT MONTHLY REPORT

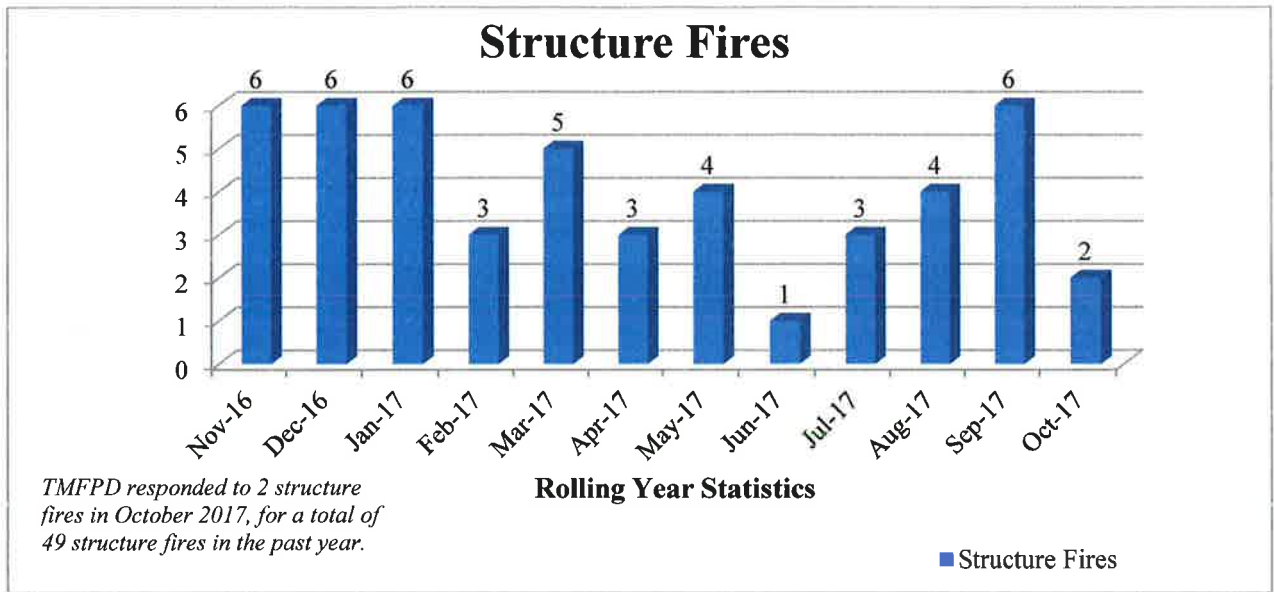
**October 2017**

**The following report contains non-audited figures based on data extracted from the District's incident reporting system and Washoe County E-Comm Dispatch.**

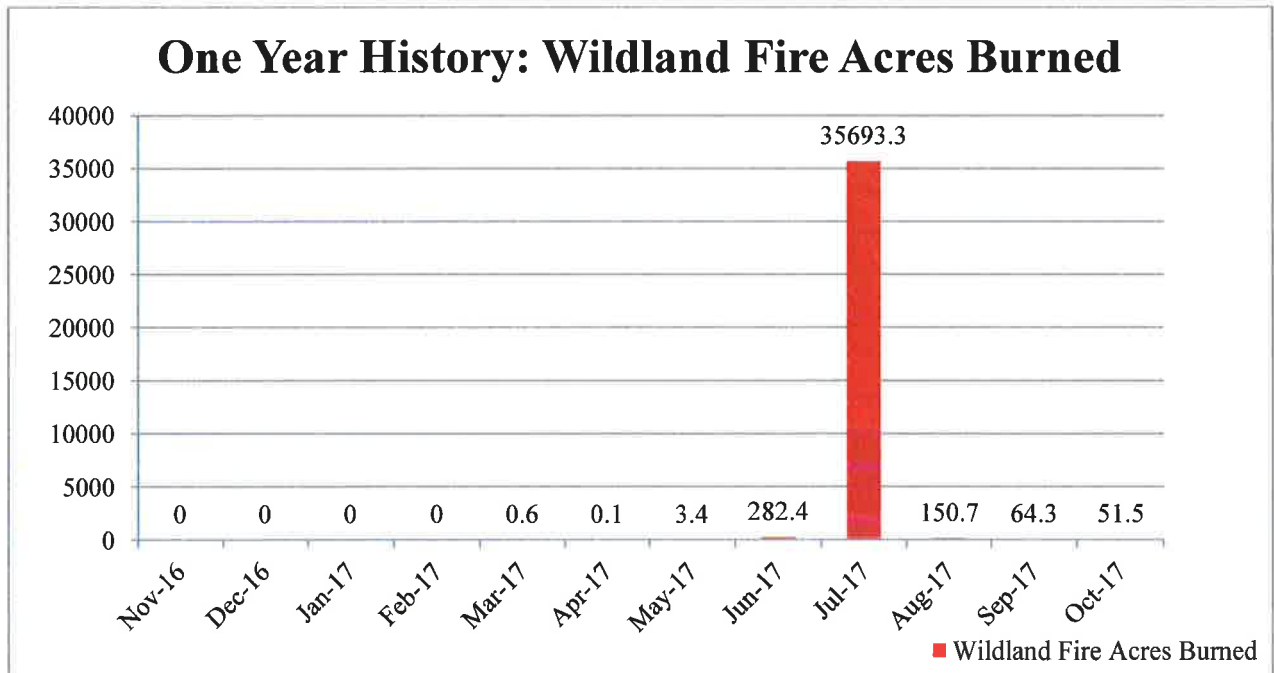
Monthly Call Volume by Station & Type													
STATION/DISTRICT													
INCIDENT TYPE	13- Stead	14- Damonte Ranch	15- Sun Valley	16- E. Washoe Valley	17- Spanish Springs	18- Cold Springs	30- W. Washoe Valley	35- Verdi/Caughlin	36- Arrowcreek	37- Hidden Valley	39- Galena Forest	Other	TOTAL
Structure Fire	2												2
Wildland Fire	2	2	3	1	3	1		2	1			4	19
Vehicle/Trash/Other Fire	1	1	1		2	1	1						7
Emergency Medical Services	54	34	161	20	109	61	3	16	23	14	6	1	502
Motor Vehicle Accident	8	11	15	1	7	2	5	4	1				54
Rescue		1		1		1				2			5
Haz-Mat/Hazardous Condition	5		7	1	5	4	1	1			1		25
Public Assist	6	3	16	1	14	5		4	2	1			52
Good Intent Call	22	14	23	6	35	3	5	7	3	21	1		140
Activated Fire Alarm	2	6	3	1	5	1		2	4				24
Severe Weather Related													0
Other													0
<b>OCTOBER 2017 TOTAL</b>	<b>102</b>	<b>72</b>	<b>229</b>	<b>32</b>	<b>180</b>	<b>79</b>	<b>15</b>	<b>36</b>	<b>34</b>	<b>38</b>	<b>8</b>	<b>5</b>	<b>830</b>
<b>OCTOBER 2016 TOTAL</b>	<b>90</b>	<b>62</b>	<b>220</b>	<b>25</b>	<b>171</b>	<b>75</b>	<b>26</b>	<b>42</b>	<b>47</b>	<b>45</b>	<b>11</b>	<b>5</b>	<b>819</b>

*In the month of October 2017, the TMFPD responded to 830 incidents, for a cumulative total of 10,447 incidents in the past twelve months.*

**Structure Fires – October 2017**



*Structure fires represent traditional structure fires, and do not include structures that were lost as the result of a largescale wildland fire.*



*In the month of October 2017, 51.5 acres were burned. As of October 31, 2017, 36,246.3 acres burned in the past 12 months.*

**Aid Given and Received – October 2017**

<b>Mutual Aid Given &amp; Received by Department</b>		
<b>DEPARTMENT</b>	<b>AID GIVEN</b>	<b>AID RECEIVED</b>
Bureau of Land Management	6	0
California Department of Forestry	4	0
Carson City FD	0	0
Eastfork FD	0	0
Nevada Division of Forestry	0	0
North Lake Tahoe FPD	0	0
North Lyon County FPD	0	0
Pyramid Lake Fire	1	1
Reno FD	4	1
Reno/Sparks Indian Colony	0	0
Sierra County, CA	1	0
Sparks FD	1	1
Storey County FPD	2	3
Truckee Fire, CA	0	0
US Forest Service	1	0
<b>TOTAL</b>	<b>20</b>	<b>6</b>

The TMFPD received aid 6 times from neighboring agencies and provided aid 20 times based on NFIRS reporting standards. Additional responses to/from the TMFPD may have occurred but did not meet the NFIRS definitions for automatic, mutual or other aid.

## SIGNIFICANT INCIDENTS

Significant incidents for the month are reported below. The number of incidents reported in the Call Volume Table may not exactly match the narrative provided below; i.e., a structure fire that is limited to a small out building is reported in the Call Volume, however it does not warrant inclusion below.

<b>Station by Commission District</b>		
<b>Station</b>	<b>District</b>	<b>Commissioner</b>
Station 13 – Stead	5	Herman
Station 14 – Damonte Ranch	2	Lucey
Station 15 – Sun Valley	3/5	Jung / Herman
Station 16 – East Washoe Valley	2	Lucey
Station 17 – Spanish Springs	4	Hartung
Station 18 – Cold Springs	5	Herman
Station 30 – West Washoe Valley	2	Lucey
Station 35 – Mogul	5/1	Herman/Berkbigler
Station 36 – Arrowcreek	2	Lucey
Station 37 – Hidden Valley	2/4	Lucey/Hartung
Station 39 – Galena Forest	2/1	Lucey/Berkbigler

*Stations are predominantly within the Commissioner's District as listed above.*

### **Incidents:**

#### **Wildland Fire – Station 17 (Spanish Springs); The Warm Springs Fire Commissioner District 4 Automatic Aid to BLM**

On October 10<sup>th</sup> at 12:42 hours, units were dispatched to a possible wildland fire. Upon arrival crews found a grass and brush fire on the top of a hill in BLM land. Access to the fire was very difficult and time consuming. Additionally, a lack of natural and man-made barriers created a situation in which the fire could virtually run free in a variety of terrain that was inaccessible to vehicles. This fire also occurred after the "end of the season" for many state and federal agencies, thus making resource availability limited. The fire spread from an approximate size of 10 acres to 206 acres in size before a control line could be established. No structures were lost, no damage to private property. TMFPD crews remained on scene until the next day and were released by BLM resources as they regained control of the situation.

3 TM Brush Engines, 4 TM Water Tenders, 1 TM Battalion Chief and TMFPD Volunteers responded to this incident.

**Structure Fire – Station 18 (Cold Springs); 17290 Cold Springs Drive  
Commissioner District 5**

On October 13<sup>th</sup> at 16:32 hours, units were dispatched to a yard fire in District 18. Upon arrival Engine 18 advised the resident's back yard was on fire with extension into the attic of the house. The crew was able to knock down the yard fire, and hold the fire in the attic until Engine 13 arrived on scene and cut a vent hole on the roof. Crews were able to contain the bulk of the fire to the attic, allowing much of the interior to be covered with salvage covers.

4 TM Engines, 1 TM Command Vehicle, 1 TM Safety/Training Vehicle and 14 TM personnel responded to this incident.

**Wildland Fire – Station 36 (Arrowcreek); 5360 Goldenrod Drive  
Commissioner District 2**

On October 15<sup>th</sup> at 11:05 hours, units were dispatched to a possible wildland fire. Upon arrival the first in company identified that the fire was approximately 10'x20' in size and appears to have been caused by an arcing electrical transformer on a power pole immediately above the fire. No structures were immediately threatened and the fire was controlled by one unit. All additional resources were canceled prior to arrival.

3 TM Brush Engines, 1 TM Water Tender, 1 TM Training Captain, 1 TM Battalion Chief and multiple TM personnel responded to this incident.

**Accident with Extrication – Station 16 (East Washoe Valley); Old US 395 Hwy N/B at  
Tinhorn Road  
Commissioner District 2  
Rescue Required**

On October 16<sup>th</sup> at 11:27 hours, units were dispatched to a rollover accident with extrication. Engine 16 arrived on scene and assumed command, advising one occupant was trapped in a pick-up truck off the side of the road and down an embankment. Engine 30 arrived on scene and together with Engine 16 used hydraulic tools to extricate the driver from the vehicle. The patient was placed onto a spinal board, transferred to REMSA upon their arrival, and transported to Renown in stable condition.

2 TM Engines, 1 TM Training Captain, 1 TM Battalion Chief and multiple TM personnel responded to this incident.

**Wildland Fire – Station 16 (East Washoe Valley); 3285 Pershing Lane  
Commissioner District 2**

On October 19<sup>th</sup> at 4:21 hours, crews responded to a brush fire between two residential structures along Pershing Lane. The fire was extinguished at 1/10 of an acre and no damaged was reported to the residential structures or personal property. Once the scene was mopped up the scene was released back to the property owners.

1 TM Brush Engine, 2 TM Water Tenders, 1 TM Engine, 1 TM Battalion Chief and 7 TM personnel responded to this incident.

**Extrication Accident – Station 14 (Damonte Ranch); 540 Zolezzi Lane  
Commissioner District 2**

On October 19<sup>th</sup> at 9:23 hours, crews responded without incident to a motor vehicle accident requiring extrication. One occupant was trapped on the arrival of the first engine. E-14 along with E-36 stabilized the vehicle, provided initial patient care and extricated the patient from the vehicle. Patient care was transferred to Remsa and the patient was transported to Renown Main Hospital.

2 TM Engines, 1 TM Battalion Chief and 7 TM personnel responded to this incident.

**Structure Fire – Station 13 (Stead); 8530 Aquifer Way  
Commissioner District 5  
Automatic aid to Reno Fire**

On October 23<sup>rd</sup> at 5:40 hours, crews responded to a structure fire at 8530 Aquifer Way. On arrival we found a single story wood frame structure with heavy fire showing through the roof. Upon primary search of the structure we located one victim who was moved to the exterior. The fire was contained to the structure of origin which had major damage. The Nevada State Fire Marshal's Office assisted with the investigation of the fire. The cause of the fire is under investigation.

4 TM Engines, 1 TM Battalion Chief, 1 TM Water Tender, TM Volunteers and 1 Reno Fire Engine responded to this incident.



**Training:**

- EMS Training
- Company EMS Training
- Active Assailant
- Vehicle Extrication Piratical Evolution
- Firefighter Survival Training
- Forcible Entry Training
- Incident Response Safety Training
- Rescue Telecrib Training
- New Generation SCBA Training
- PALs Refresher Class
- Monthly TRIAD Training
- EMS Environmental Emergencies
- EMS Methamphetamine

**Accomplishments:**

- Apparatus Committee Meeting
- Work on CIP Plan
- Help to Manage Move-in of Station 39
- Fire Prevention Open House and events at various stations
- Pump testing for apparatus
- TMCC EMT ride alongs
- Annual Pump Testing
- Annual Ladder Testing
- Department Flu Vaccinations
- Green Waste Collection at Station 16, 37, 221 and 223



## VOLUNTEER FIRE DEPARTMENT MONTHLY REPORT

**October 2017**

The following report contains non-audited figures based on data extracted from the District's incident reporting system and Washoe County E-Comm Dispatch.

Monthly Call Volume by Station & Type									
STATION/DISTRICT									
VOLUNTEER RESPONSE: INCIDENT TYPE	STATION/DISTRICT								TOTAL
	221-Silver Lake VFD	223 - Lemmon Valley VFD	225 - Wadsworth (Pyramid Lake VFD)	227, 237, 301 - South Valleys VFD	229 - Palomino Valley Auxiliary	240 - Red Rock VFD	242 - Gerlach VFD	351 - Verdi VFD	
Structure Fire		1							1
Wildland Fire	1	2			2	1		1	7
Vehicle/Trash/Other Fire	1					1			2
Emergency Medical Services		1	1		1	8			11
Motor Vehicle Accident		2	1		1				4
Rescue									0
HazMat/Hazardous Condition	1								1
Public Assist									0
Good Intent Call		1	1	1		2	1		6
Activated Fire Alarm									0
Severe Weather Related									0
Lightning Plan									0
Other									0
<b>OCTOBER 2017 TOTAL</b>	<b>3</b>	<b>7</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>10</b>	<b>2</b>	<b>32</b>

*In the month of October, 2017 the Truckee Meadows Volunteers responded to 32 incidents. (Wadsworth Volunteers operate under Pyramid Lake Volunteer Fire Department. Incidents listed for the Wadsworth Volunteer Station 225 are specific to responses in the Truckee Meadows Fire Protection District boundary, and do not include responses into tribal territory.)*

**AGENDA ITEM #8C**

## SIGNIFICANT INCIDENTS

Significant incidents for the month are reported below. The number of incidents reported in the Call Volume Table may not exactly match the narrative provided below; i.e. a structure fire that is limited to a small out building is reported in the Call Volume, however it does not warrant inclusion below.

<b>Station by Commission District</b>		
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*Stations are predominantly within the Commissioner's District as listed above.*

### **Incidents:**

#### **Wildland Fire – Station 17 (Spanish Springs); The Warm Springs Fire Commissioner District 4 Automatic Aid to BLM**

On October 10<sup>th</sup> at 12:42 hours, units were dispatched to a possible wildland fire. Upon arrival crews found a grass and brush fire on the top of a hill in BLM land. Access to the fire was very difficult and time consuming. Additionally, a lack of natural and man-made barriers created a situation in which the fire could virtually run free in a variety of terrain that was inaccessible to vehicles. This fire also occurred after the "end of the season" for many state and federal agencies, thus making resource availability limited. The fire spread from an approximate size of 10 acres to 206 acres in size before a control line could be established. No structures were lost, no damage to private property. TMFPD crews remained on scene until the next day and were released by BLM resources as they regained control of the situation.

3 TM Brush Engines, 4 TM Water Tenders, 1 TM Battalion Chief and TMFPD Volunteers responded to this incident.

**Structure Fire – Station 13 (Stead); 8530 Aquifer Way  
Commissioner District 5  
Automatic aid to Reno Fire**

On October 23<sup>rd</sup> at 5:40 hours, crews responded to a structure fire at 8530 Aquifer Way. On arrival we found a single story wood frame structure with heavy fire showing through the roof. Upon primary search of the structure we located one victim who was moved to the exterior. The fire was contained to the structure of origin which had major damage. The Nevada State Fire Marshal's Office assisted with the investigation of the fire. The cause of the fire is under investigation.

4 TM Engines, 1 TM Battalion Chief, 1 TM Water Tender, TM Volunteers and 1 Reno Fire Engine responded to this incident.

## TRAINING AND ACTIVITY

STATION	ACTIVITY	CREWS	HOURS PER	TOTAL HOURS
North Valleys - 223/221	Familiarization and construction of Snap-Tank, Remote filling of tank and drafting with tender and type 3	9	2	18
	NFPA 1001 Forcible Entry into a Structure	4	1	4
	NFPA Vehicle Extrication	1	1	1
	NFPA 1001 Building Construction	1	1	1
	CAPCE Methamphetamine	1	2	2
	CAPCE Altered Mental Status	2	1	2
	CAPCE Carbon Monoxide Poisoning	3	1	3
	CAPCE Environmental Emergencies Basic	1	1	1
	CAPCE Patients with Special Challenges	1	1	1
	Hearing Conservation	1	1	1
Rescue 42 TeleCrib Strut System – Part 1	1	1	1	
<b>North Valleys - 223/221 Total</b>				<b>35</b>

Red Rock - 240	RT-130 Wildland Fire Safety Refresher 2017 Updates Part 1	1	.5	.5
	RT-130 Wildland Fire Safety Refresher 2017 Updates Part 2	1	.5	.5
	RT-130 Wildland Fire Safety Refresher 2017 Updates Part 3	1	.5	.5
	RT-130 Wildland Fire Safety Refresher 2017 Updates Part 4	1	.5	.5
	R1-130 Wildland Fire Safety Refresher 2017 Updates Complete	1	2	2
<b>Red Rock – 240 Total</b>				<b>4</b>

South Valleys – 227/301	NFPA 1001 Building Construction	1	1	1
	NFPA 1021 Incident Response Safety	1	1	1
	NFPA 1001 Rescue and Extrication	2	1	2
	NFPA 1001 Forcible Entry into a Structure	2	1	2
	Hearing Conservation	1	1	1
<b>South Valleys Total</b>				<b>7</b>

Verdi - 351	CAPCE Hazard Communication	1	1	1
	CAPCE Environmental Emergencies	1	1	1
	CAPCE Musculoskeletal Injuries Basic	1	1	1
	CAPCE Medical, Ethical, and legal issues	1	1	1
	CAPCE Carbon Monoxide Poisoning	1	1	1
	Training on E-351: Inline foam educator use from 5gal pails, foam application via 1.75' hose, hydrant connection with 5' hose, attack hose handling with 1.75' & 2.5' pre-connects, deck-gun blitz attack and change over to hydrant water supply.	3	2	6
	Fire Prevention Week open house community activities	4	3	12

Station Preparation for Fire Prevention Week Activities	3	3	9
HazMat Operations Day 3	1	8	8
HazMat Operations Testing with NV State Fire Marshall Office	1	7	7
Station and apparatus maintenance, hose rolling and reloading	1	1.5	1.5
E-351 & WT-351 checks, PPE checks, station maintenance	1	1	1
NFPA Vehicle Extrication	1	1	1
Station and apparatus maintenance/cleaning, SCBA cylinder swap, preparation for Fire Prevention Week activities	1	1.5	1.5
Station/apparatus maintenance, hydrant connection with E-351, distribution of Fire Prevention Week open house flyers	2	2	4
Reviewed Pressure/Volume pump operations. Reviewed hydraulic calculations.	1	1	1
King Airway review and skills	1	.5	.5
<b>Verdi – 351 Total</b>			<b>57.5</b>



# TRUCKEE MEADOWS FIRE PROTECTION DISTRICT

## STAFF REPORT

Board Meeting Date: January 16, 2018

Fire Chief CM  
Finance CV  
Legal DWV  
Risk Mgt DE  
HR DW

**DATE:** December 11, 2017  
**TO:** Truckee Meadows Fire Protection District Board of Fire Commissioners  
**FROM:** Charles A. Moore, Fire Chief  
Phone: (775) 328-6123 Email: [cmoore@tmfpd.us](mailto:cmoore@tmfpd.us)  
**SUBJECT:** Presentation, discussion and possible direction to staff regarding Strategic Goals and Objectives for FY 18/19. (All Commission Districts) FOR POSSIBLE ACTION

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### SUMMARY

This item is presentation, discussion and possible direction to staff regarding Strategic Goals and Objectives for FY 18/19.

**Strategic Objective supported by this item:** *Safe, Secure and Healthy Communities*

### PREVIOUS ACTION

None

### BACKGROUND

Staff will begin development of the FY 18/19 budget in February. Staff requests the Board discuss and provide direction on the following strategic goals and objectives.

1. Define the desired service levels.
  - Prepare and revise a Standards of Cover Plan (Service Levels)
    - Identify current and future staffing needs
    - Identify response times and alignment of incident priorities
    - Study Center for Public Safety Excellence (CPSE) Accreditation
    - Involve the District in regional planning issues as they relate to fire service in both District specific and regional issues
2. Prepare the District for future growth through key planning initiatives.
  - Prepare a Facility Master Plan – 5 and 10 years
    - Assess the condition of existing stations and prioritize upgrades
    - Identify new growth and prioritize development of new stations and facilities
  - Revise the Fleet Replacement Schedule
    - Update the replacement schedule of the current career fleet
    - Estimate the need for additional emergency vehicles to coincide with future facilities
    - Review volunteer fleet needs

3. Review and revise the District's Strategic Plan

- Continue work on succession planning to emphasize recruiting new employees
- Improve internal and external communications
- TM brand – study and recommend revisions
- Reduce the threat of uncontrolled wildfire through programs, grants and revised identification of hazard areas
- Encourage creation of defensible space through green waste management programs
- Continue improvement on Volunteer and Reserve Program
- Continue efforts to establish AVL and closest unit response
- Short term staffing levels: Rescue 15, water tender response, Cooperate on possible Community Paramedicine with REMSA
- Develop comprehensive fire prevention programs and plans review streamlining
- Revise County/TMFPD Inter-local Agreement

**FISCAL IMPACT**

None

**RECOMMENDATION**

It is recommended that the Board provide direction to staff on strategic goals and objectives

**POSSIBLE MOTION**

Should the Board agree with staff' recommendation, a possible motion could be:

*"I move to direct staff to .....*"





# TRUCKEE MEADOWS FIRE PROTECTION DISTRICT

## STAFF REPORT

Board Meeting Date: January 16, 2018

Fire Chief CM  
Finance CV  
Legal DWV  
Risk Mgt DE  
HR N/A

**DATE:** December 29, 2017  
**TO:** Truckee Meadows Fire Protection District Board of Fire Commissioners  
**FROM:** Charles A. Moore, Fire Chief  
Phone: (775) 328-6123 Email: [cmoore@tmfpd.us](mailto:cmoore@tmfpd.us)  
**SUBJECT:** Discussion and possible direction to staff regarding methodology to calculate the cost to provide service to Sierra County, California. (Commission District 5) FOR POSSIBLE ACTION

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### SUMMARY

Discussion and possible direction to staff regarding methodology to calculate the cost to provide service to Sierra County, California

**Strategic Objective supported by this item:** *Safe, Secure and Healthy Communities*

### PREVIOUS ACTION

June 24, 2008, the Board of Fire Directors, Sierra Fire Protection District, approved an agreement between Sierra County, California and the Sierra Fire Protection District and an identical agreement between Sierra County Fire Protection District One and the Sierra Fire Protection District for structure fire and EMS response.

### BACKGROUND

An agreement ratified in 2008 for services to Sierra County, California requires updating. The fee for services under that agreement totaled \$10,000 for portions of Verdi that extend into California and portions of Sierra County, California northwest of Cold Springs. These areas can only be practically served by TMFPD – identified in the attached map (Exhibit “A”).

Staff has met with officials in Sierra County, California requesting that a new fee and updated contract be established for emergency services to include structural fire suppression and emergency medical service (excluding wildland fire protection and paramedic transport/ambulance services) to the California portion of Verdi and north of Cold Springs. Sierra County has acted to establish a zone for special assessments to collect funds to pass through to the District for services.

Sierra County, California is willing to apply a special assessment to the developed parcels located in the Verdi area and requests a methodology. This special assessment would be passed through to the District for fire and EMS services. The District has met with officials in Sierra County, California regarding a new agreement and discussed formulas for a new fee for the special assessment. Staff believes a new fee equivalent to the amount of tax for TM residents based on square footage of parcel improvements

would be an appropriate metric for the reason that it is rational: it can be calculated easily and adjusted from time to time.

Staff calculated an average cost per square foot of tax assessed to the Washoe County, Nevada residents of Verdi community and determined that residents are assessed approximately \$0.21/square foot in the Verdi area and \$.10/square foot in the Cold Springs area (Exhibit B). Staff recommends that this assessment value is used for the basis of the agreement with Sierra County, California. Staff anticipates a final negotiated agreement to be brought back to the Board for final approval with a commencement date of July 1, 2018.

### **FISCAL IMPACT**

Based on the square footage of structures within the area of Sierra County, California requesting services and the average assessment applied to Washoe County Residents within the same area, the District estimates the fee (via a special assessment approved by Sierra County) would total an estimated \$40,000 annually beginning FY19.

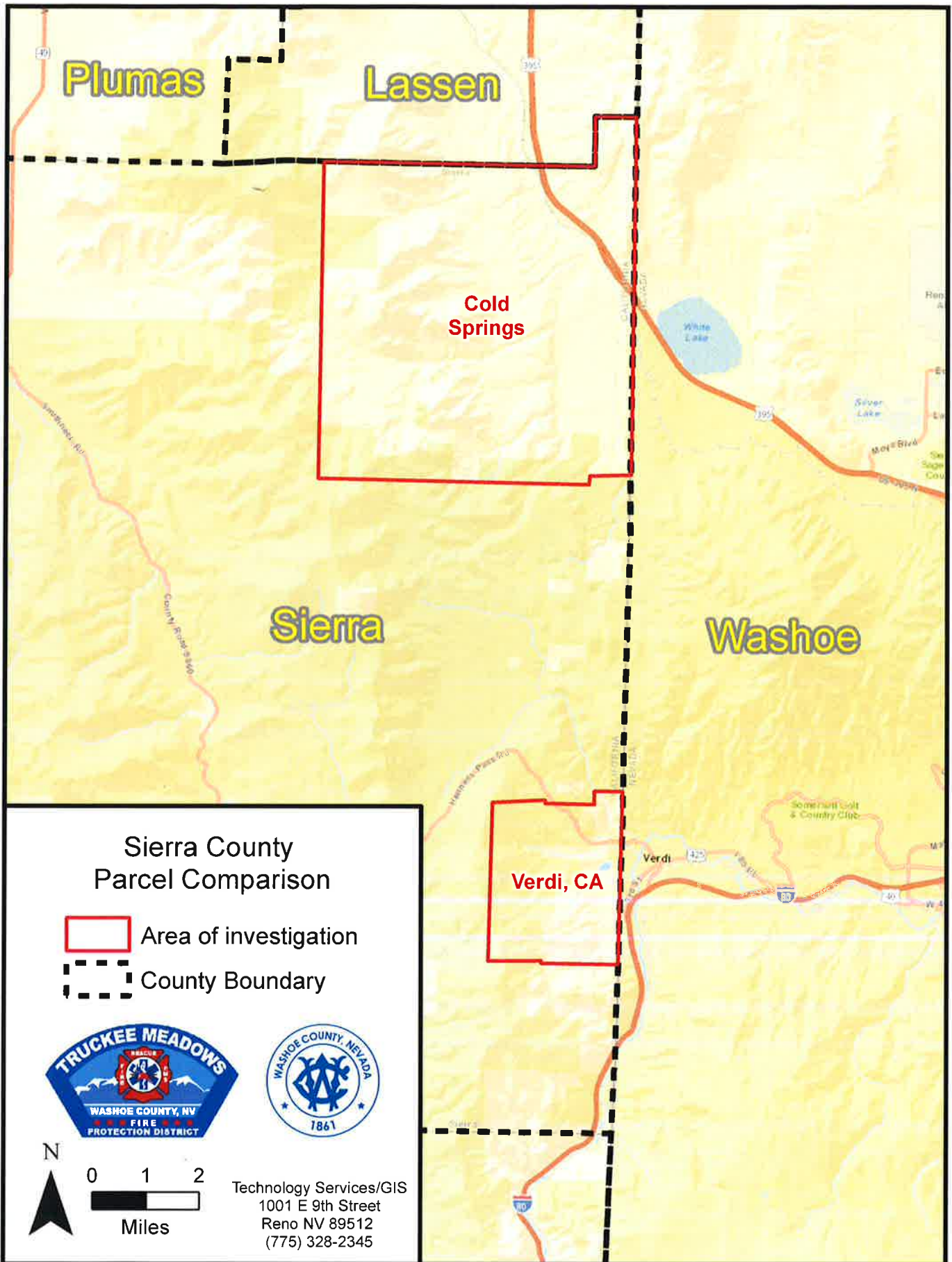
### **RECOMMENDATION**

It is recommended that the Board give direction to staff regarding methodology to calculate the cost to provide service to Sierra County, California.

### **POSSIBLE MOTION**

Should the Board agree with staff's recommendation, a possible motion could be:

*"I move to direct staff in regards to methodology to calculate the cost to provide service to Sierra County California."*



**Verdi**

Approximate 1500ft2 - TMFPD Sample

Parcel	SQ Feet	Tax Value	TMFPD Tax	Tax/Sq Foot
038-224-11	1494	\$ 80,590	\$ 375	\$ 0.25
038-074-26	1504	\$ 56,256	\$ 246	\$ 0.16
038-074-27	1504	\$ 77,198	\$ 367	\$ 0.24
038-082-08	1504	\$ 103,869	\$ 494	\$ 0.33
038-393-09	1508	\$ 25,618	\$ 112	\$ 0.07

Approximate 2000ft2 - TMFPD Sample

Parcel	SQ Feet	Tax Value	TMFPD Tax	Tax/Sq Foot
038-082-06	1995	\$ 98,552	\$ 464	\$ 0.23
038-051-24	1998	\$ 82,984	\$ 414	\$ 0.21
038-224-14	2006	\$ 105,255	\$ 501	\$ 0.25
038-074-40	2007	\$ 86,906	\$ 421	\$ 0.21
038-225-14	2009	\$ 43,834	\$ 227	\$ 0.11

**Average Tax/Sq Foot - Verdi Area \$ 0.21**

**Cold Spings**

Approximate 1500ft2 - TMFPD Sample

Parcel	SQ Feet	Tax Value	TMFPD Tax	Tax/Sq Foot
087-161-06	1502	\$ 36,751	\$ 78	\$ 0.05
556-280-27	1505	\$ 57,555	\$ 200	\$ 0.13
556-171-09	1505	\$ 54,143	\$ 187	\$ 0.12
087-613-09	1505	\$ 52,022	\$ 181	\$ 0.12
087-135-08	1507	\$ 31,003	\$ 66	\$ 0.04

Approximate 2000ft2 - TMFPD Sample

Parcel	SQ Feet	Tax Value	TMFPD Tax	Tax/Sq Foot
081-181-26	2000	\$ 43,826	\$ 133	\$ 0.07
087-412-01	2000	\$ 59,741	\$ 222	\$ 0.11
087-296-05	2002	\$ 46,669	\$ 123	\$ 0.06
556-041-08	2006	\$ 66,536	\$ 254	\$ 0.13
556-070-06	2006	\$ 68,217	\$ 259	\$ 0.13

**Average Tax/Sq Foot - Cold Spings Area \$ 0.10**



# TRUCKEE MEADOWS FIRE PROTECTION DISTRICT

## STAFF REPORT

Board Meeting Date: January 16, 2018

Fire Chief CM  
Finance CV  
Legal DWV  
Risk Mgt DE  
HR N/A

**DATE:** December 28, 2017  
**TO:** Truckee Meadows Fire Protection District Board of Fire Commissioners  
**FROM:** Charles A. Moore, Fire Chief  
Phone: (775) 328-6123 Email: [cmoore@tmfpd.us](mailto:cmoore@tmfpd.us)  
**SUBJECT:** Discussion and possible direction to staff regarding a District Facilities Master Plan to include existing fire stations and possible additional career and volunteer stations.  
(All Commission Districts) FOR POSSIBLE ACTION

### SUMMARY

Discussion and possible direction to staff regarding a District Facilities Master Plan to include existing fire stations and possible additional career and volunteer stations.

**Strategic Objective supported by this item:** *Safe, Secure and Healthy Communities*

### PREVIOUS ACTION

None

### BACKGROUND

The Chair directed staff to develop recommendations for future consideration by the Board regarding a District Facilities Master Plan. Staff is seeking direction from the Board as to a proposed scope and methodology.

The service area is seeing population and business growth within its boundaries and needs to keep pace with that growth. Staff proposes to study the condition of existing stations and possible additional future career and volunteer stations in order to meet the future needs of the District. In an effort to plan for future growth and maintain the District's exceptional services to the community, the District plans to jointly study the issue with internal staff and hire facilities professionals to assist.

This study is proposed to commence simultaneously with a revised Standards of Cover. Standards of Cover will define the level of service based on risk and population and assist staff and the Board with decisions on locations of stations relative to service demand.

The scope of the study is as follows:

1. Review of current Stations and conditions.
  - a. Assess mechanical, electrical, roof, landscape and signage systems
  - b. Study the need for upgrades of finishes and equipment. (Appliances, furniture and fixtures).
  - c. Study potentials for expansion.
  - d. Study upgrades for service needs including apparatus bays, living quarters, and utilities.

2. Review station locations. (Standards of Cover & Station Locations)
  - a. Study current distribution and future growth.
  - b. Study the need to relocate stations and add additional stations.
  - c. Study service efficiencies with neighboring jurisdictions including City of Reno, City of Sparks, Storey and Carson.
3. Study administration, training and logistical needs
  - a. Current staffing and future needs in administration
  - b. Current space utilization.
  - c. Potential need for growth to 2025.
  - d. Connection to the County.
  - e. Fleet and warehouse needs.
  - f. Study training needs for both didactic and hands on skills development.

### **FISCAL IMPACT**

Staff estimates \$75,000 for of the development of a Districts Facilities Master Plan. There is capacity in the existing FY 17/18 budget to commence the study. Staff plans to include any additional cost in the FY19 budget which will be presented to the Board at a future date.

### **RECOMMENDATION**

It is recommended that the Board direct staff to develop a District Facilities Master Plan to include existing fire stations and possible additional career and volunteer stations.

### **POSSIBLE MOTION**

Should the Board agree with staff's recommendation, a possible motion could be:

*"I move to direct staff to provide recommendations on developing a District Master Plan."*





# TRUCKEE MEADOWS FIRE PROTECTION DISTRICT

## STAFF REPORT

Board Meeting Date: January 16, 2018

Fire Chief CM  
Finance CV  
Legal DWV  
Risk Mgt DE  
HR N/A

**DATE:** December 11, 2017  
**TO:** Truckee Meadows Fire Protection District Board of Fire Commissioners  
**FROM:** Charles A. Moore, Fire Chief  
Phone: (775) 328-6123 Email: [cmoore@tmfpd.us](mailto:cmoore@tmfpd.us)  
**SUBJECT:** Discussion and direction to staff regarding the Green Waste Pilot Program to include support of the program and the development of a Request for Proposals to acquire capital equipment in support of the program. (All Commission Districts) FOR POSSIBLE ACTION

---

### SUMMARY

Discussion and direction to staff regarding the Green Waste Pilot Program to include support of the program and the development of a Request for Proposals to acquire capital equipment in support of the program.

**Strategic Objective supported by this item:** *Safe, Secure and Healthy Communities*

### PREVIOUS ACTION

None

### BACKGROUND

District staff is seeking approval to develop recommendations for future consideration by the Board regarding certain capital equipment to support the Green Waste program. The District launched a pilot program designed to assist citizens with the disposal of green waste. Citizens are encouraged to develop defensible space by clearing vegetation but they have limited options to dispose of green waste. Fall fire weather conditions often preclude open pile burning. Sheer volume of material makes disposal difficult. Citizens cannot burn after November 1 due to air quality regulations.

The District accepted green waste at four fire stations on October 28<sup>th</sup> and November 18<sup>th</sup> to measure citizen demand and determine logistical needs. The demand for the service was very high. A conservative estimate on the material collected was an aggregate 750 tons over two collection days at four collection sites. Green waste was delivered to RT Donovan for composting.

One significant complication in the pilot program was the infiltration of non-green waste into dumpsters. Dumpsters could not be immediately removed after the collection day and consequently, other waste was deposited after hours, such as tires, plastic, carpet and other non-green waste. In some cases, this caused the material to be rejected at the composting facility which required the material to be reloaded and redirected to the landfill.

If the program is to be expanded and maintained going forward, staff believes more control over dumpster access will be necessary. Staff is exploring the possibility of purchasing the rolling stock and equipment necessary to deploy our dumpsters so that they can be picked up immediately after the event.

Staff wants to explore purchasing a truck and j-hook along with two dumpsters and a water tank. This will allow green waste to be picked up after an event. The estimated break-even point for the equipment versus renting equipment is approximately 12.5 years. This equipment has an estimated useful life of 20 years and would be used for other purposes throughout the District.

The type of equipment is depicted below:





**FISCAL IMPACT**

Fiscal impact will be determined upon direction of the Board at a future date. Staff estimates the cost of the equipment at \$200,000 to \$250,000. There is financial capacity in the budget to acquire this equipment by re-purposing a \$400,000 line item for a command vehicle to this type of equipment. It should be noted that it is possible the equipment may not be acquired until the FY18/19 budget cycle.

**RECOMMENDATION**

It is recommended that the Board direct staff to move forward with the Green Waste Pilot Program and to development a Request for Proposals to acquire capital equipment in support of the program.

**POSSIBLE MOTION**

Should the Board agree with staff recommendation, a possible motion could be:

*“I move to direct staff to move forward with the Green Waste Pilot Program to and to development a Request for Proposals to acquire capital equipment in support of the program.”*