

**BOARD OF FIRE COMMISSIONERS
TRUCKEE MEADOWS FIRE PROTECTION DISTRICT**

TUESDAY

4:15 P.M.

DECEMBER 12, 2006

PRESENT:

Bob Larkin, Chairman
Bonnie Weber, Vice Chairman
Jim Galloway, Commissioner
David Humke, Commissioner
Pete Sferrazza, Commissioner

Amy Harvey, County Clerk
Katy Singlaub, County Manager
Melanie Foster, Legal Counsel
Marty Scheuerman, Fire Chief

The Board met in regular session in the Commission Chambers of the Washoe County Administration Complex, 1001 East Ninth Street, Reno, Nevada, and conducted the following business:

06-60F AGENDA

In accordance with the Open Meeting Law, on motion by Commissioner Sferrazza, seconded by Commissioner Weber, which motion duly carried with Chairman Larkin absent, Chairman Larkin ordered that the agenda for the December 12, 2006 meeting be approved.

PUBLIC COMMENT

There was no response to the call for public comment.

06-61F COMMISSIONERS'/MANAGER'S ANNOUNCEMENTS

Chairman Larkin requested a January workshop with the Board of Fire Commissioners and the volunteers to consider the volunteers' contract. He asked Melanie Foster, Assistant District Attorney, to clarify the rules for special notice and call of such a meeting. Ms. Foster explained that, due to the overlapping authority of the County Commissioners, it would be important to notice the workshop as a meeting of all three entities: the Board of County Commissioners, the Sierra Fire Protection District, and the Truckee Meadows Fire Protection District.

On behalf of the volunteers, Commissioner Weber asked that the meeting be held in the evening so that more individuals could attend. A discussion of possible dates ensued and January 29, 2007 was suggested as the most likely possibility. Katy

Singlaub, County Manager, stated that John Slaughter, Management Services Director, would temporarily fulfill the duties of the Regional Fire Service Coordinator and work with the parties to coordinate schedules and notices.

06-62F MINUTES

On motion by Commissioner Weber, seconded by Commissioner Galloway, which motion duly carried, Chairman Larkin ordered that the minutes of the October 10, 2006 regular meeting be approved.

06-63F PROFESSIONAL SERVICES AGREEMENT – WALKER & ASSOCIATES

Chairman Larkin referred to Section I, Paragraph A of the Professional Services Agreement and asked Mary Walker of Walker & Associates if she would participate materially with the Board of Fire Commissioners in negotiations with the Volunteer Fire Association. Ms. Walker indicated that she would be happy to participate in this or any other duties to assist the Board. She also offered to compile financial data regarding the volunteer fire departments. Commissioner Sferrazza mentioned an issue brought up by the North Valleys Citizen Advisory Board regarding the cost of turnouts and other equipment distributed to volunteers that was unaccounted for.

Upon recommendation of Neeroo Manning, Fiscal Analyst, on motion by Commissioner Sferrazza, seconded by Commissioner Humke, which motion duly carried, it was ordered that the Professional Services Agreement with Walker & Associates for the period of December 1, 2006 through November 30, 2007, in an amount not to exceed \$48,000, be approved and the Chairman be authorized to execute the same.

06-64F AUDITED FINANCIAL STATEMENTS – FISCAL YEAR 2005/06

Mary Walker, District Financial Consultant, stated that the opinion of the auditor was unqualified, meaning that the statements presented fairly in all material respects. The auditors found no financial weaknesses of a magnitude to justify inclusion in the audit report, and there were no statutory violations or recommendations for improvement. Ms. Walker noted that the general fund's actual unreserved fund balance as of June 30, 2006 was approximately \$6,200,000, representing 33 percent of the total general fund expenditures and operating transfers. Part of this fund balance would be used in 2006/07 to fully fund future liability costs in the workers' compensation fund, pre-funded retiree health benefits, and to fund capital projects.

Ms. Walker discussed the objective to fully fund pre-funded retiree health benefits, the workers' compensation fund, and the debt service fund. Pre-funded retiree health benefits were fully funded as of June 30, 2005 compared with the actuarial report at that time, but the actuary came out with new estimates for 2006 that were about \$600,000 higher than anticipated. In regard to the workers' compensation fund, there was a net fund deficit last year of about \$607,000 and a \$1,800,000 transfer brought that down to a \$17,000 deficit. Ms. Walker recommended an additional \$100,000 transfer to

shore up the workers' compensation fund for the future. With respect to the debt service fund, proceeds from the sale of the old Sun Valley Fire Station and a small transfer made this year would fully fund the debt service fund and the new Sun Valley Fire Station. Ms. Walker stated that all funds were in good financial shape.

Commissioner Galloway discussed the \$600,000 underfunding of retiree health benefits. Ms. Walker commented that the actuarial estimates varied widely from one year to the next and there were plans to do the actuarial reports every two years, hopefully smoothing out the annual adjustments.

Commissioner Sferrazza asked to hear comments from the auditor's representative. Felicia O'Carroll, a partner with Kafoury, Armstrong & Company reiterated that the auditor's opinion was unqualified, which was the highest level of assurance offered by the certified professional accountants' profession. She concurred in all respects with Ms. Walker's report to the Board.

In response to the call for public comment, Dulcie Lilly of the Lemmon Valley Volunteer Fire Department expressed her enthusiasm and support for the Strategic Planning Committee for the volunteers and auxiliary. She also issued a call to the community for volunteer recruits. Ms. Lilly indicated that issues with budgeting and the architect were being resolved before planning a groundbreaking ceremony for the Lemmon Valley Volunteer Fire Station.

On motion by Commissioner Galloway, seconded by Commissioner Weber, which motion duly carried, Chairman Larkin ordered that the Truckee Meadows Fire Protection District Audited Financial Statements for fiscal year 2005/06 be accepted.

06-65F VOLUNTEER/AUXILIARY REPORT – NOVEMBER 2006

Chairman Larkin asked if the Sierra Fire Protection District and Truckee Meadows Fire Protection District could contribute funding to the strategic planning process. Chief Marty Scheuerman responded affirmatively, commenting on the organizational importance of the strategic management effort. He expects an agreement to come back to the Board soon after the holidays, which would include input from Mary Walker, District Financial Consultant, and John Slaughter, Management Services Director.

On motion by Commissioner Humke, seconded by Commissioner Sferrazza, which motion duly carried, Chairman Larkin ordered that the Volunteer/Auxiliary report for November 2006 be accepted.

* * * * * * * * * *

There being no further business to come before the Board, the meeting was adjourned.

ROBERT M. LARKIN, Chairman
Truckee Meadows Fire
Protection District

ATTEST:

AMY HARVEY, Washoe County Clerk
and Ex-Officio Clerk, Truckee Meadows
Fire Protection District

*Minutes Prepared By
Lisa McNeill
Deputy County Clerk*