

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

MONDAY

10:30 A.M.

MAY 21, 2007

PRESENT:

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

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

ABSENT:

Jim Galloway, Commissioner

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

07-23F AGENDA

In accordance with the Open Meeting Law, on motion by Commissioner Humke, seconded by Commissioner Sferrazza, which motion duly carried with Commissioner Galloway absent, it was ordered that the agenda for the May 21, 2007 special meeting be approved.

07-24F PUBLIC HEARING ON TENTATIVE BUDGET – ADOPTION OF FISCAL YEAR 2007-08 FINAL BUDGET

10:30 a.m. This was the time set in a Notice of Public Hearing, published in the *Reno Gazette-Journal* on May 11, 2007 to consider the tentative budget for fiscal year 2007-08, as well as possible changes to adoption of the final budget for fiscal year 2007-08.

Chairman Larkin opened the public hearing.

Division Chief Marty Scheuerman pointed out the Truckee Meadows Fire Protection District (TMFPD) had two funds, the General fund and Capital Projects Fund. He stated that TMFPD was maintaining its tax rate and overall revenues were expected to increase by approximately 8 percent. Due to the accumulation of past fund balances and several years of effort to pay all debt services down, the District's fiscal year 2007-08

budget anticipated fully funding all current and future liabilities for retiree health benefit insurance and worker's compensation. Chief Scheuerman indicated there was a financially sound General Fund balance, which reorganized potential future large wildland fire expenditures and cash flow requirements. He identified changes from the previously presented Tentative General Fund Budget, including formula-driven impacts from the final City of Reno Fire Department and Dispatch budgets, and an additional \$25,000 in professional services to provide the Washoe County Fire Service Coordinator with any additional help he might need.

Chief Scheuerman talked about the Capital Projects Fund, which was funded primarily through a \$3.1 million dollar transfer from the General Fund. It included a \$495,000 carryover for the replacement of the Lemmon Valley Volunteer Fire Department Station and \$600,000 for an additional bay for the Sun Valley Station. He explained the budget provided for expenditures of about \$1,035,000 to replace volunteer vehicle apparatus, a significant commitment to the volunteers that should go a long way toward replacing equipment that had been provided piecemeal in the past. An additional \$50,000 was budgeted to upgrade the VHF mountaintop radio system, a critical piece of infrastructure used for wildland incidents and mutual incidents, as well as for voice paging of the volunteers. Chief Scheuerman stated that fiscal year 2007-08 was the second year in a multi-year effort to set aside funds for the future replacement of the East Washoe Valley Station 16, which had been built 20 years ago as a temporary station and was already beyond its expected lifetime. He indicated the District might have the resources by fiscal year 2009-2010 to replace Station 16 without bonding and without any tax rate increases.

Chief Scheuerman noted changes from the Tentative to the Final Capital Budget that included carryover due to the delay in purchasing equipment during fiscal year 2006-07, the addition of a vehicle for the Washoe County Fire Service Coordinator, and the finalization of the cost of the equipment to be purchased. In conclusion, he stated that the TMFPD Final Budget for fiscal year 2007-08 was financially sound and had established the necessary resources to fully fund its liabilities, capital improvement program and ongoing expenditures.

Commissioner Weber asked if strategic planning was incorporated into one area of the budget. Chief Scheuerman replied that the strategic planning effort was started in fiscal year 2006-07 and would be carried into 2007-08. He commented that it was not spelled out directly but was incorporated into outside services.

Commissioner Weber inquired whether the carryover funds for replacement of the Lemmon Valley Volunteer Fire station would be sufficient given the current rate of progress. Chief Scheuerman indicated the County's Public Works Department believed the amount of funding to be adequate but if there came a time when more money was required, the Commission would be asked to augment the project from the General Fund. Gary Nielsen, Division Chief for the City of Reno Fire Department, commented that, according to Public Works, their design should allow the project to stay

within \$500,000. Commissioner Weber expressed concern based on the recent bid amounts that had been received for the Silver Lake station.

Commissioner Weber did not see anything in the budget proposal for Red Rock. Chief Scheuerman replied that Red Rock was administered by TMFPD but funded out of the Washoe County budget. He pointed out that Washoe County was funding a replacement engine for Red Rock/Ranch Haven at the current time, which was intended as a stopgap measure and expected to be ready within a few weeks. Kurt Latipow, Fire Service Coordinator, clarified that he had reviewed the line item budgets for all three of the County-funded stations. Because of the current zero growth phase situation, the approximate cost of \$250,000 for a new engine was not in the 2007-08 budget and the County was looking at other alternatives. He stated that work had been done to apply for grant funds to secure an engine for Red Rock. Chief Scheuerman added that, as TMFPD equipment was replaced, any leftover serviceable equipment that could be utilized elsewhere would be earmarked for the County-funded stations at Gerlach, Red Rock and Sutcliffe.

Commissioner Sferrazza asked how the projected 8.8 percent increase in revenues was possible given the tax cap of 3 percent on residential property and 8 percent on commercial property. Mary Walker, District Financial Consultant, replied that the numbers came from the Washoe County Assessor's office via the Nevada Department of Taxation. She pointed out that the tax cap did not apply to new growth. Commissioner Sferrazza thought the County was losing substantial areas to annexation within the TMFPD. Ms. Walker indicated there had not been much annexation in the last year, although that had occurred in years past. Chief Scheuerman clarified that the contract for service with the City of Reno had a modifier built in to account for annexation and TMFPD actually received a credit in the budget for annexation. Commissioner Sferrazza commented that might decrease expenses but did not affect property tax revenues.

Chairman Larkin asked whether the collaborative contract between Washoe County and the City of Reno was a good "bang for the buck". Chief Scheuerman replied that it was. He stated there had been a structural deficit of almost \$850,000 in the year 2000 and the entities had been faced with having to close stations. Since that time, TMFPD had lowered response times, increased levels of service, and maintained a healthy budget that provided capital replacements. He anticipated that aggressive replacements over the next few years could result in current equipment for all of the volunteer and career fleets, making it possible to set down a planned replacement schedule based on 50-60 year facilities by fiscal year 2011-12.

There was no response to the call for public comment.

Chairman Larkin closed the public hearing.

On motion by Commissioner Sferrazza, seconded by Commissioner Weber, which motion duly carried with Commissioner Galloway absent, it was ordered that the final budget for fiscal year 2007-08 be approved and adopted.

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11:18 a.m. 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*