

APPROVED

The Workshop Meeting of the East Fork Fire Protection District Board was held on Tuesday, February 21, 2023, in-person and virtually, beginning at 10:30 AM.

East Fork Fire Protection District Board Present:

John Bellona, Secretary, District 1
Barbara Griffin, Director, District 2, Absent
Bernard Curtis, Director, District 3
Jacques Etchegoyhen, President, District 4
Mike Sommers, Director, District 5

Staff present:

Tod F. Carlini, District Fire Chief
Larry Goss, Deputy Chief of Training and Safety
Amy Ray, Deputy Chief/Fire Marshal
Scott Gorgon, Deputy Chief of Operations
Mark Forsberg, District Legal Counsel
Lisa Owen, Director of Administrative Services
Kathy Lewis, CPA, CFO/Director of Finance
Holly Megee, Clerk to the Board

Additional attendees that addressed the Board:

Adam Wennhold, East Fork Fire Professional Firefighters
Elaine Pace, Volunteer Liaison

CALL TO ORDER

Board President Jacques Etchegoyhen

PLEDGE OF ALLEGIANCE

Director Bernard Curtis led the Pledge of Allegiance

PUBLIC COMMENT (No Action)

At this time, public comment will be taken on those items that are within the jurisdiction and control of the East Fork Fire Protection District Board of Directors or those agenda items where public comment will not be taken as a public hearing is not legally required.

Public Comment may be limited to three minutes per speaker, which will be decided by the Board President or other presiding officer in his/her absence. If you are going to comment on a specific agenda item that the East Fork Fire Protection District Board of Directors will take action on, please make your comments when the item is considered and is opened for public comment.

For members of the public not able to be present when an item on the agenda is heard, Speaker/Comment Cards are available in the Lobby at

**EAST FORK FIRE PROTECTION DISTRICT BOARD
WORKSHOP MEETING OF FEBRUARY 21, 2023**

the entrance to the meeting room. These cards should be completed and given to the District Fire Chief or designee.

President Jacques Etchegoyhen opened up public comment.

There was no public comment.

Public comment closed.

ADMINISTRATIVE AGENDA

The Administrative Calendar handled as follows:

1. The President will read the agenda title into the public record.
2. Staff will introduce the item and provide a report, if any.
3. The applicant, if any, will have an opportunity to address the Board.
4. The Board will then discuss the item. Once the Board has concluded their discussion, public comment will be allowed.
5. Public comment will be allowed and is limited to three minutes per speaker.
6. Once public comment is completed, the Board will then ask any follow-up questions and take action.

Agenda items listed as a “presentation” with no action listed, public comment is not legally required, and must be made at the beginning of the meeting.

APPROVAL OF AGENDA

1. For Possible Action. Approval of proposed agenda. The East Fork Fire Protection District Board of Directors reserves the right to take items in a different order to accomplish business in the most efficient manner, to combine two or more agenda items for consideration, and to remove items from the agenda or delay discussion relating to items on the agenda. (Jacques Etchegoyhen, President) 5 Minutes.

President Jacques Etchegoyhen opened public comment.

There was no public comment.

Public comment closed.

MOTION to approve the workshop meeting agenda for February 21, 2023.

**EAST FORK FIRE PROTECTION DISTRICT BOARD
WORKSHOP MEETING OF FEBRUARY 21, 2023**

RESULT:	APPROVED [UNANIMOUS]
MOTION BY:	Bernard Curtis
SECOND BY:	Mike Sommers
AYES:	Bellona, Curtis, Etchegoyhen, Sommers
NAYS:	
ABSENT:	Griffin

2. For Presentation Only. A workshop including a presentation to allow the Board of Directors to discuss the 2023/2024 budget. (Kathy Lewis, CPA, CFO/Director of Finance) 90 minutes.

President Jacques Etchegoyhen thanked Director of Finance Lewis for a very thorough budget workshop.

Below is the outline of the PowerPoint presentation regarding the budget workshop for East Fork Fire Protection District presented by District Fire Chief Tod Carlini and Director of Finance Kathy Lewis:

Budget Workshop: What will be covered:

- Current year revenue performance with some early projections
 - Property Taxes
 - State Consolidated Taxes
 - Ambulance Fees
 - Fire Plan and Life Safety Fees
 - GEMT
 - Service Contracts
 - NV Energy
 - Alpine County
 - Douglas County
 - Investments
 - Other Revenue
- Budgeted Expenditures:
 - Personnel
 - Services and Supplies
 - CIP Performance
 - Status of Current Debt
 - AFG Grant for SCBA
- 2022/23 Budget Performance/Status
- FY 23/24 Budget Discussion

**EAST FORK FIRE PROTECTION DISTRICT BOARD
WORKSHOP MEETING OF FEBRUARY 21, 2023**

District Fire Chief Carlini stated a lot of what's being discussed, in some cases, are best guesses and predictions, opposed to hard numbers. There are some hard numbers but what is received from the State is always subject to change.

Revenue was discussed first.

Property Tax:

- Projected 8.6% increase in Property Taxes for FY2022/23
- Property tax collections through 12/31/22 is \$7,876,731
- Collected 72.03% of Budget
- Trending on budget

Director Mike Sommers asked how soon after the County collects the property tax installments are they distributed to the various districts.

Director of Finance Lewis stated it's received the second or third week of the month after it's collected.

Director Sommers asked if the amount distributed is what's actually collected or the third installment.

Director of Finance Lewis stated only what's collected is distributed.

Director Sommers asked if the District is given the interest on the money that is held onto.

Director of Finance Lewis stated no. But, Nevada law does not allow the County to charge the District a collection fee. At the end of the year, Douglas County has traditionally collected about 98%-99% of the assessment, there are not a significant number of delinquent taxes.

Director Sommers asked how the collection rate for the District in the revenue, correlated to the increased assessed valuation.

Director of Finance Lewis stated that is a difficult question which will be seen as property tax rate increases are discussed because of the cap. Nevada taxes are capped. She further explained the process.

Director Sommers asked about tax rate on resale versus new construction.

Director of Finance Lewis stated the tax rate does not change on resale, only new construction.

District Fire Chief Carlini stated the only other condition is annexation.

Continued on with the PowerPoint (Property Tax).

EAST FORK FIRE PROTECTION DISTRICT BOARD WORKSHOP MEETING OF FEBRUARY 21, 2023

- For FY2023/24 an increase between 5% and 7% is expected
- Final Property Tax projections will be released on March 27, 2023
- Impacts to Property Tax Revenue:
 - New Construction
 - Tax Cap Percentages
 - Legislative Action
 - Modification in Tax Rate

Property Tax Rate Considerations:

- In Nevada, there are two property tax caps to consider when setting the District's property tax rate:
 - State department of taxation, through state law and regulations, sets the maximum tax rate an entity can assess
 - The preliminary tax cap rate for FY2023/24 is \$0.7664
 - Current Rate for the District: \$0.4874
 - The State also caps the property tax rate a property owner can be assessed. They cannot, by state law, be assessed more than \$3.66

Director Sommers asked if the \$3.66 tax rate is primarily raw land.

Director of Finance Lewis stated it is on every parcel.

Director Sommers asked what areas are at the \$3.66.

Director of Finance Lewis stated that will be covered on the next slide.

History of East Fork Fire Protection District Property Tax Rate (A chart was provided):

- In 2006/07, after the tax cap in 2005/06, all Douglas County Entities increased their tax rate to capture taxes on new construction
- In 2008/09, EFF annexed Sierra Forrest Fire Protection District, which amended the rate for residents of the SFFPD
- In 2011/12, the County Commission reduced the District's tax rate to help Douglas County with shortfalls they were facing with the "Great Recession"
- In 2015/16, the District annexed the Paramedic District to create a single all-risk Fire Protection District and pave the way to an independent Board of Directors

District Fire Chief Carlini stated there has been discussions in the past regarding the tax rate and thought it was important to show property tax rate comparisons.

Property Tax Rate Comparison:

- East Fork Fire Protection District-\$0.4874
- Truckee Meadows Fire Protection District-\$0.5400
- Storey County Fire Protection District-\$0.5446

EAST FORK FIRE PROTECTION DISTRICT BOARD WORKSHOP MEETING OF FEBRUARY 21, 2023

- Tahoe Douglas Fire District-\$0.6381
- North Lake Tahoe Fire Protection District-\$0.6480
- Central Lyon County Fire District-\$0.7011

Property Tax Rate for Property Owners in East Fork Fire Protection District: (A chart was provided showing valley overlapping tax rates for FY2022-23):

- There are 4 taxing areas where the property owners are at the cap of \$3.66 within East Fork Fire Protection District (Towns of Gardnerville and Minden, Indian Hills GID and Topaz Ranch Estates GID)

Director Sommers confirmed the District hasn't lost any on their tax rate.

Tax Rate Options:

- The Board has three (3) options to consider:
 1. Lower the property tax rate
 2. Maintain the current property tax rate
 3. Propose an increase in the property tax rate
 - Under the third option, an increase in rate would increase the overlapping rate for property taxes in Gardnerville, Minden, Indian Hills GID and Topaz Ranch Estates GID.
 - If that were to happen, under NRS 361.455, the Chairman of the County Commission would be required to meet with all effected governing bodies and to try and determined an overlapping tax rate that can be assessed that would not be more than allowed by law. (\$3.66). In other words, one or more of the other governing bodies would have to give up some of their tax rate.
 - If a unanimous decision can't be reached, the Nevada Tax Commission will determine the individual tax rates for the fiscal year. The Nevada Tax Commission will make the final determination. This is truly a "roll the dice" process.

Director Bernard Curtis asked if it has been outlined of how many decisions have been made that jumped the tax rate in other counties.

Director of Finance Lewis stated a hospital district in Nye County had proposed the same thing and when it went to the Taxation Commission, they sided for the County, not the hospital district.

District Fire Chief Carlini stated he understands it has only been exercised a few times.

Director Sommers confirmed with Secretary Bellona that last year there was discussion regarding the 2011/12 tax rate that was given to the County but the District never asked for it back.

EAST FORK FIRE PROTECTION DISTRICT BOARD WORKSHOP MEETING OF FEBRUARY 21, 2023

District Fire Chief Carlini clarified that the District has asked for it back.

Secretary Bellona stated if the Board considers asking for it back he thinks the Board should consider using the third option. He asked, what's the worst thing that can happen if the District goes to the State and asks for the tax rate back. He understands it may upset towns/GID's or the County may do what's right and give the tax back to the District that they took 25 years ago.

Director Sommers stated looking at the County's last year budget, the County had 17% increase in the overall improvement. That 17% represented 90% of the District's total budget. The District needs more manpower, equipment and another station. The District needs to start thinking about growth.

Tax Rate Revenue Increase Examples: (A chart was provided)

- We are in a period of rising assessed values, where the effect of a property tax rate increase does not have a proportionate effect on tax collection since most of the rate increase will be abated.

Director of Finance Lewis stated if the District increased the tax rate, the District would see an increase down the road but not a significant dollar amount from what is shown on the chart.

District Fire Chief Carlini stated that is primarily due to the abatement factor. The same numbers ran three years and the same \$.05, generated roughly \$120,000 because there wasn't as much abatement because the assessed values were lower.

Director Sommers stated to approach this the District will need to decide what is the need in revenue to complete the plan the District wants to operate under. Then once the need is determined, the increases to support that need will have to be determined. And then deal with abatement in certain areas.

Director of Finance Lewis stated it is very complicated.

District Fire Chief Carlini stated there are a few factors coming together all at the same time, the Standard of Cover will be completed in March at the same time the budget is being built. He believes things will be a lot clearer in March.

Director Sommers stated the Standard of Cover will also give a picture of where the District will be 5 years from now.

District Fire Chief Carlini stated it is more like a three-year program because things change so quickly.

District Fire Chief Carlini stated when agencies talk about a tax override, they are not overriding a \$3.66 cap, they are overriding what the allowed rate is, which is

**EAST FORK FIRE PROTECTION DISTRICT BOARD
WORKSHOP MEETING OF FEBRUARY 21, 2023**

\$.78. The District has room to do that and wouldn't need to do an override, if there was room in the \$3.66.

District Fire Chief Carlini believes the District has a defensible position but potentially any of the entities, the following year could challenge. Then it starts a cycle.

District Fire Chief Carlini explained the Nevada tax law does not allow to make deals such as trading off funds but can trade services. It was discussed in 2011 when they were attempting to offset some of the town services they were taking rates from the town (street sweeping, etc.). In legal terms, the illegal part of that is called supplanting.

District Fire Chief Carlini stated the District needs to think about the consequences. It would be nice if all the tax entities could come together every year, discuss the tax rate and come to a reasonable conclusion. The capital needs would be addressed but at this time, the law does not provide that.

Director Sommers stated it gets to a point where the District needs to determine their needs, how soon and for how long. The District is being outgrown.

President Etchegoyhen stated the District needs to find what was said to the District when the County Commission adopted the budget after East Fork Fire agreed to reduce their tax rate. If it's not in the minutes, its hearsay.

Secretary Bellona stated he thinks the towns got their money back, it was only East Fork Fire that didn't.

District Fire Chief Carlini stated that is not true. In fact, the towns gave up larger amounts of their rate.

President Etchegoyhen stated things have gone up and the taxes don't reflect that. He feels looking at the process, the District will end up with many enemies and not being successful at getting the rate back.

Secretary Bellona asked if there is another option to go to the voters.

Director of Finance Lewis stated no because of the \$3.66 cap.

Director Sommers stated if it wasn't for the District's ambulance billing increases and finding other funding, the District would go broke.

President Etchegoyhen stated he feels if the District looked into the County's ending fund balance, it will be seen that it's not current money, long lasting, yearly money, etc.

EAST FORK FIRE PROTECTION DISTRICT BOARD WORKSHOP MEETING OF FEBRUARY 21, 2023

Director Sommers stated the District needs to start looking for other sources of revenue.

President Etchegoyhen stated he agrees but so does the Sheriff's department and then everyone will be going after the same pot. He wishes the associations around Nevada, Clark County and Washoe would get together and look at what's going on. Places like Las Vegas, Washoe County and Fernley, can grow out of it because they have a lot of new growth, but Douglas County can't because the County limits the new growth of building per year. Douglas County has a fundamental tax issue that is unfair.

Tax Rate Effect on Property Owners in the East Fork Fire Protection District:

- Existing Assessed Value - With the Property Tax Cap, in times of rising assessed values or property tax rates, the rate has little effect on the taxes collected for that parcel on existing assessed value.
 - Reason – The taxes are capped in Nevada, while the assessed value is not.
- New Assessed Value – The Property Tax Cap does not apply to new assessed value. In the first year, the taxes are assessed at the actual tax rate. After the first year and beyond, they fall under the cap.

State Consolidated Tax:

- The District projected 13.8% increase in State Consolidated Taxes for FY2022/23
- This is the first year in non-guaranteed status
- State Consolidated tax collections through 11/30/22 total \$996,409.99
- The District has collected 41% of Budget
- Trending on budget
- For FY2023/24, the tentative projection indicates a 4.17% increase or \$100,894
- Final State Consolidated Tax projections will be released on March 15, 2023

Director Sommers stated there will be one more month of heavy spending of sales tax (December), then the normal turndown and an increase again near the spring. It wouldn't be surprising if the District dropped below the run rate for a couple of months.

District Fire Chief Carlini stated it would depend on what happens with the construction period.

Director of Finance Lewis stated it is important to remember state consolidated taxes are not just sales tax.

State Consolidated Tax Composition

- The six consolidated taxes include:

EAST FORK FIRE PROTECTION DISTRICT BOARD WORKSHOP MEETING OF FEBRUARY 21, 2023

- BCCRT-Basic City County Relief Tax, 1/2% of statewide sales/use tax. Distributed to the county where the sale was made. For out-of-state companies, BCCRT is distributed based on population.
- SCCRT-Supplemental City-County Relief Tax, 1.75% of statewide sales/use tax. Total distribution is proportionate to the amount of in-state collections as a whole, after guaranteed counties have received their allocation.
- Cigarette-Collected statewide and distributed to counties based on population.
- Liquor-Collected statewide and distributed to counties based on population.
- RPTT-Real Property Transfer Tax, tax based on value of real property transfers and distributed to county of origin.
- GST-Government Services Tax, tax based on value of motor vehicle and distributed to county of origin.

State Consolidated Tax Projection: (A chart was provided)

Director of Finance Lewis stated the District is right on budget.

Director of Finance Lewis stated the County gets about 50% of the state consolidated taxes and the District gets about 8.1%.

Distribution of State Consolidated Taxes:

- After the taxes for each county are determined, it is further allocated among the Local Governments and Special Districts in each county according to the Base and Excess Distribution formulas
- Each entity (local government) has a base allocation that was determined when CTX was established in 1997
 - Base allocations are recalculated annually. The actual allocation multiplied by the Consumer Price Index (CPI) determines the next year's base allocation. NRS 360.680
 - Beginning July 1, 2014, the annual base allocation is the prior year's distribution multiplied by the 5-year average of CPI
- The Excess Distribution is the amount of revenue available to distribute after the Base Distribution has been made
 - Excess is distributed based on a formula combining the 5-year moving average of the changes in population and assessed valuation for each local government. Special Districts have no associated population, so only the change in assessed valuation is used in calculating their excess distribution. NRS 360.690

Event Center Impact (From 2/16/23 BOCC meeting): (A chart was provided)

- Forecast 2023 is \$33,000,000 annual sales tax revenue
- Douglas County's Sales Tax is 7.10%, distributed as part of State Consolidated Taxes are:

**EAST FORK FIRE PROTECTION DISTRICT BOARD
WORKSHOP MEETING OF FEBRUARY 21, 2023**

- BCCRT – 0.50%
- SCCRT - 1.75%
- Of which the District distribution is 8.15%

Director Sommers asked when the event center is scheduled to open.

District Fire Chief Carlini stated July (this fiscal year) which would be a significant increase for the District if the projected numbers are accurate.

Director Sommers asked if the County gets any of the room tax.

Director of Finance Lewis stated yes. She thinks half comes back but she would need to research that.

Ambulance Fees:

- Projected 23% increase in Collected Ambulance Fees for FY2022/23
- Fees collected through 1/31/23 total \$2,330,978
- Currently collected 63.64% of the budgeted amount
- Trending on budget

Ambulance Fee History: (A chart was provided)

- What the District is seeing for 2023/24:
 - Medical Calls are projected to keep increasing (6% increase last year)
 - The District's senior population is the largest population in Douglas County, making up 26.4% of our population
 - The District's senior population is expected to increase in their proportionate share of the population
 - Medicare increased their 2023 rates by 8.7%
 - December Medical Services CPI was 2.1%
 - Scheduled a rate increase on 7/1/23 will be based on May 2023 Medical CPI
 - Increased effort in Patient Charting has had a direct effect on billings/collections

District Fire Chief Carlini recognized Deputy Chief Gorgon and the staff for the effort put in on patient charting. This helps to give medical billing more information, so billing is becoming more detailed.

Director Sommers asked if the District will see any reduction in transfer time, which would be transfer cost, once the Carson Valley hospital is complete and be able to drop off there. If there is a need for a transfer, the transfer would be from there to Carson on an interagency transfer.

District Fire Chief Carlini stated he would hope there would be some reduction, but as the population increases, there becomes a balance point. It will depend on the services the hospital will provide. He hopes to see some benefit.

**EAST FORK FIRE PROTECTION DISTRICT BOARD
WORKSHOP MEETING OF FEBRUARY 21, 2023**

Director Sommers asked if the increases seen with ambulance billing is becoming more self-sustained for the priority EMS operations so this would help prevent the District from dipping into the ad valorem tax amount for additional support.

District Fire Chief Carlini stated in his opinion no. The District has an \$.08 tax on EMS. The \$.08 was a voter approved rate that must be applied to EMS.

Director of Administrative Services Lisa Owen stated there are a lot of unknowns. Example...The District received notification yesterday the VA will change their practice of paying ambulance bills in-full and will start using the Medicare reimbursement rates. This will cause an increase in write-offs for VA payments.

Director Sommers asked if they have the law behind them to do that.

Director of Administrative Services Owen stated they do. More governmental entities are following the practice of utilizing the Medicare standard reimbursement rates.

Fire and Life Safety Plan Review Fee: (A graph was provided)

- The District projected 21.4% increase in Fire and Life Safety Plan Review Fees for FY2022/23
- Fire and Life Safety Plan Review Fees collected through 1/31/23 total \$384,768
- The District has collected 90.5% of Budget
- Trending ahead of budget
- Plan review fees are directly connected to economic conditions
- "Boom or Bust" situation
- Impacts to Fire and Life Safety Plan Review Fees:
 - Construction Activity
 - Economic Considerations
 - Increase in Rates
 - New fees associated with adoption of District regulations
 - Future adoption of the Wildland Urban Interface (WUI) and associated fees

Fire and Life Safety Fee History: (A graph showing actual collections was provided)

Director Sommers asked if the District has noticed a change with the recent adoption of the new regulations.

Deputy Chief Amy Ray stated the District has not noticed any changes.

Ground Emergency Medical Transport (GEMT)

- In Nevada, Medicaid is paid 65% by federal funds and 35% by state funds

EAST FORK FIRE PROTECTION DISTRICT BOARD WORKSHOP MEETING OF FEBRUARY 21, 2023

- East Fork's actual costs to Medicaid patients for transport is used as the state's share of Medicaid costs
 - This is the same for any local government ambulance provider where you have local tax dollars subsidizing the state/federal Medicaid program
- A state plan amendment, led by East Fork Fire Protection District, was approved to allow local tax dollars to be counted as the state's share which opened the door for federal reimbursement of that share
- East Fork has entered into an agreement with the State
- East Fork conducts a cost analysis each year to determine transport costs as part of the qualifying requirements
- Cost reports are prepared by a contracted consultant
- For this fiscal year the District anticipates receiving \$1,171,890

District Fire Chief Carlini stated he is proud to say the regulation change that allows for GEMT was vested with East Fork Fire.

Director Sommers asked where the funds come from.

District Fire Chief Carlini stated the funds are passed through from the federal government to the state then to the local jurisdictions.

Director Sommers asked if it is known the percentage of participation the District is within the state.

Director of Administrative Services Owen stated she does not know.

District Fire Chief Carlini stated regionally most entities participate in the GEMT program. At this point, private ambulance services can't participate.

GEMT History: (A graph showing actual fees collected was provided)

Service Contracts:

- For FY22/23, the District has three contracts:
 - Alpine County – current contract through 7/1/25
 - Douglas County – current contract will end on 6/30/23
 - NV Energy – current contract will end on 6/30/23

Service Contract with NV Energy:

- Current Status of Contract with NV Energy
 - Current Contract will end this fiscal year on 6/30/23
 - This contract started on January 1, 2021
 - The total contract amount is \$4,142,963.60
 - We are currently in negotiations for another three-year contract, which will go into effect on July 1, 2023

**EAST FORK FIRE PROTECTION DISTRICT BOARD
WORKSHOP MEETING OF FEBRUARY 21, 2023**

- The Contract will be presented to the Board in April of this year

Investments: (A graph was provided)

- The District projected a decrease of 75% in interest earnings based on economic conditions a year ago
- Interest Earning as of 1/31/23 total \$48,921
- Interest on Investments under LGIP are performing beyond Budget Expectations at current time
- Trending ahead of budget

About Local Government Investment Pool (LGIP): (A graph was provided)

- Most of the interest earned on our funds is in the Local Government Investment Pool (LGIP)
- This pool is managed by the State and pools funds from local governments and special districts throughout the state and actively invests these funds

Grants: (A graph was provided)

- For FY22/23, the District budgeted Grants for:
 - Emergency Management – these Grants will be managed by Douglas County next fiscal year and were considered “*pass through grants.*”
 - SAFER Grant – Accounts for last quarter of staffing under this grant.
 - ARPA – Funds distributed through Douglas County for an ambulance, gurneys and to retrofit a wildland engine.

2022/23 Budgeted Revenues: (A graph was provided)

Budgeted Expenditures:

Personnel:

- District has 101 full time positions, 60 volunteer positions and up to 5 seasonal fuels management:
 - 82 Employees Represented by Contract:
 - All-Risk:
 - 3 Battalion Chiefs (1 per shift)
 - 15 Captains (5 per shift)
 - 3 of these are Training Captains
 - 12 Engineers (4 Per Shift)
 - 39 Firefighters (13 Per Shift)
 - Fuels Management
 - 2 Crew Bosses
 - 8 Crew Members
 - Other
 - 2 Inspectors
 - 1 Mechanic
 - Employees Not Represented by Contract:

EAST FORK FIRE PROTECTION DISTRICT BOARD WORKSHOP MEETING OF FEBRUARY 21, 2023

- 5 Executive Staff
- 8 Support Staff
- 60 Volunteer Positions
- Up to 5 Seasonal Fuels Crew Members
- 5 Elected Board of Directors

Employee Benefits:

- District Benefits – what does the District provide (what does the District budget)
- 100% District paid health insurance for employee and family
 - Includes contribution to employee’s HSA account
- Required contribution to PERS retirement
- Worker’s Comp (for all employees, volunteers and Board members)
- Uniform allowance
- Contribution to employee’s rHRA account
- Volunteer incentive

Personnel Cost History: (A graph was provided)

- 2018 staffing increased by 10 personnel (the biggest increase) which including SAFER grant positions

Contract Negotiations:

- The District will be entering its third year of a five-year contract with our associations.
- For next fiscal year, the following articles are subject to negotiations:
 - Article 8 – Nevada Public Employees Retirement System
 - Article 9 – Corrective and Disciplinary Action
 - Article 20 – Wages
 - Article 36 – Annual Leave
 - Article 37 – Sick Leave
 - Article 49 – Retiree Health Reimbursement Arrangement
 - Article 67 – Station Habitability Committee
- First negotiations session is set for the end of February

Services and Supplies: (A graph was provided showing the average growth in service and supplies is less than 5% per year)

Wild Fire Protection Plan (WFPP):

- The District participation in the plan essentially serves as our insurance policy for wildland fire suppression costs. The District has been a participant for the past six years.
- Over time and with the intervention of the Legislative Council Bureau and an audit of the plan and the Nevada Division of Forestry, the initial cost allocation plan has now transformed itself into an actual formula.

**EAST FORK FIRE PROTECTION DISTRICT BOARD
WORKSHOP MEETING OF FEBRUARY 21, 2023**

- The fee is set for the state's biennium. For the last two years our fee has been \$91,052 annually.
- The Formula's main consideration is vested with fire cost history. The District has one of the higher fire cost histories of those participating.
- The second consideration in the formula is the budgetary allocation that the Division of Forestry is attempting to reach.
- The District's fees for this upcoming biennium will most likely increase due to the Tamarack Fire. Without this plan and District participation, the District would have easily incurred fire costs totaling over \$5,000,000 in the past six years.
- The District's participation also provides for one Model 34 Engine, one 3000 Gallon Water Tender, and the seasonal staffing of Station 8.

Director Sommers asked if the helicopter includes air tankers.

District Fire Chief Carlini stated it does not. There was a year when the State contracted with a scooper.

Current Services Provided by Douglas County: (A graph was provided)

- Radio User and Dispatch fees are expected to see significant increases.
- At the present time, there is NO service contract for Radio and Dispatch services and fees. A contract defining service levels and how costs are derived and distributed is essential.

CIP Performance:

- The use of a Capital Improvement Plan (CIP) is an invaluable planning tool for our District.
- Five-year planning tool
- The District constantly accomplishes over 85% of the planned expenditures for the first year of each CIP that has been approved
- The District has shown a commitment to the replacement and/or purchase of major capital expenditures:
 - Examples:
 - Fire Apparatus/ Support Vehicles
 - Ambulances
 - Protective Gear (PPE)
 - Communication Devices
 - Computers/IT
 - Miscellaneous Equipment (hoses, extraction equipment, cardiac monitors, etc.)
 - Limited station improvements

Status of Current Debt:

- Bond Issued in 2019 for \$1,966,000, with last payment on 4/1/27

EAST FORK FIRE PROTECTION DISTRICT BOARD WORKSHOP MEETING OF FEBRUARY 21, 2023

- In FY21/22, at Board direction, District made two extra semi-annual principal payments, saving the District \$19,623 in interest and projecting last payment on 4/1/26
- In FY22/23, at Board direction, District will make one extra semi-annual principal payment, saving the district \$8,258 in interest and projecting last payment on 10/1/25
- Something to consider – It may not be in the best interest of the District to make this payment based on current investment interest rates vs. benefit of paying down on the existing obligation

Director Sommers asked if the District received their rating.

District Fire Chief Carlini stated the District has not but will request a rating.

Borrowing Money and/or Leasing:

- Currently, not a lot of borrowing happening at this time because of high interest rates
- Current borrowing rate is running around 4.25% to 4.50%
- Leasing rates could be higher still

AFG Grant For SCBA Replacement:

- Grant Awarded in September 2022
- Regional Grant
- Administrated by North Lake Tahoe Fire Protection District
- Currently in process of selecting vendors
- District's award was for \$630,000 with District's 10% match \$63,000, the total replacement cost will be nearly \$700,000
- The SCBA has a life span of 15 years, the current District units are 13 years old and reaching "end of life."
- Grant award allows the District to expanding opportunities for reinvestment of the debt, pending lending rates at time

Director Sommers asked if it will be within the 15-year span to get it complete.

District Fire Chief Carlini stated it will be close. He is not sure what the delivery time is on the SCBAs.

Secretary Bellona stated the last SCBAs that were received on a grant it took about 7 months to be awarded.

2022/23 Budgeted Expenditures: (A graph was provided)

2022/23 Budget Performance:

Budget Performance:

- At this point in time, the FY2022/23 expenditures are trending to be within budget and the budget looks healthy.

**EAST FORK FIRE PROTECTION DISTRICT BOARD
WORKSHOP MEETING OF FEBRUARY 21, 2023**

- Please note, with a single purpose district, whose purpose is fire and life safety, any unforeseen emergency could change the outlook of the budget.

Emergency Fund: (A graph was provided showing the balances from 2017-to projected 2023)

- Fund allowed by NRS 474.510(6)
 - Limited to \$1,000,000 Balance
 - Must be used for unforeseen emergencies
 - Cannot be used for regular operating expenditures

Future Budget Considerations:

Future Staffing Needs and New Positions:

- Additional Firefighter/Medic Positions
 - 6 Positions
 - Initial Funding (SAFER 2022)
 - Timing: October 2023 (Pending SAFER Grant)
- Executive Program Administrator would oversee:
 - NV Energy Fuels and Fire Program
 - Vehicle Maintenance Program
 - Facilities Maintenance and Construction Programs
 - Warehouse and Supply Program
 - Apparatus Procurement Program
 - Special Projects
 - Initial Funding: 60% NVE + 40% District – Regular PERS
 - Timing: July 1, 2023
- Entry Level Office Assistant
 - Initial Funding: 20% NVE + 80% District – Regular PERS
 - Timing: January 1, 2024 (Mid-Year)
- Fire Inspector
 - Initial Funding: 100% District (WUI Fees)- Regular PERS
 - Timing: July 1, 2024

Administrative and Support Staff Ratio History: (A graph was provided)

Increase in Service Capacity:

- The District will soon have to consider increasing its service capacity based on increased service requests.
- Response time goals will become more difficult to reach as service demand increases.
- By way of example, staffing and housing an additional ALS Engine Company will be expensive.
 - Staffing Costs \$ 1,900,000 per year for a 3-person crew
 - Apparatus \$ 800,000 to \$1,400,000

**EAST FORK FIRE PROTECTION DISTRICT BOARD
WORKSHOP MEETING OF FEBRUARY 21, 2023**

- Station Modifications \$ 400,000 to \$1,000,000 (Pending Station)
- Annual Operation \$ 36,000

Apparatus:

- The purchase of a “Quint” is becoming an appropriate consideration in the very near future. The “Quint” concept has been embraced by many fire agencies across the country due to its five functional capacities:
 - Pumping
 - Water Hauling
 - Hose
 - Ladders
 - Elevated Master Stream

Director Sommers asked how the “Quint” would get incorporated into the District’s operations.

District Fire Chief Carlini stated it gives the District a diverse piece of apparatus.

Director Sommers asked if the District has a sufficient number of calls for the need of this type of apparatus.

District Fire Chief Carlini stated what needs to be looked at is if the District has a sufficient risk and the District does have a sufficient risk. There are more mid-rise constructions with higher risk opportunity, more long-term care facilities that are 2-3 stories, so he believes there is sufficient risk.

Secretary Bellona stated there is a lot of need for elevated master streams for large footprint buildings.

District Fire Chief Carlini stated this would be something included in the CIP because it would take 26 months to receive one.

Apparatus:

- The purchase of a water tender must also be a consideration.
- The District’s fleet of water tenders will need to be reinforced to meet the need to transport water within several areas of the District where homes are being built within the interface areas.
- With continued volunteer growth and a water supply mission centric focus, investing in at least one new water tender would be appropriate.
- The timeframe is 16 months build time to delivery

Apparatus:

- Over the past two years, the District has been able to establish a good replacement plan for its most used apparatus, ambulances.
- The remounting program works well with the integration of total builds included from time to time.

EAST FORK FIRE PROTECTION DISTRICT BOARD WORKSHOP MEETING OF FEBRUARY 21, 2023

Facilities:

- Over time, the age and condition of the stations and other facilities have fallen into varying states of disrepair.
- Funding has been limited
- The Station Habitability Study, currently entering a final draft stage, will ultimately identify areas of deferred maintenance that must be addressed.
- Funding will need to be dedicated toward this maintenance as a priority over several future budgets
- While some work has been done over the years, a significant amount of work exists. Some examples include:
 - Roof repairs
 - Generator replacements
 - Drainage issue
 - Cosmetic issues, such as painting and flooring
 - Parking area resurfacing
 - HVAC upgrades and filtration
 - Station security
 - Appliance upgrades
 - Soft Tone alerting systems
 - Bathroom/locker room upgrades

President Etchegoyhen thanked staff for all the detailed work put into the budget presentation. There will be tough decisions to be made but having detailed information helps.

Elaine Pace stated the Board of Equalization met and heard one case (Baker Hughes) and it was turned down.

Adam Wennhold asked if there was a reason the Station 10 Forest Service lease was not included in the budget.

District Fire Chief Carlini stated that is a good point. The Forest Service is leasing Station 10 and there are discussions about entering into a long-term lease. They enjoy being there and the community likes having them there.

Adam Wennhold asked if there is any BLM stuff in the works.

District Fire Chief Carlini stated no.

Director Sommers thanked the staff for the detailed information. He feels the District needs to start identifying new sources of revenue and where to get them. He suggested the District start looking into more fuels crew management programs outside of NV Energy. The District is going to need more resources.

**EAST FORK FIRE PROTECTION DISTRICT BOARD
WORKSHOP MEETING OF FEBRUARY 21, 2023**

Director Curtis said he appreciates all the hard work and time put into the budget presentation.

President Etchegoyhen opened public comment.

There was no further public comment.

Public comment closed.

Director Sommers asked what the next step is.

District Fire Chief Carlini stated next month a tentative budget will be on the Board agenda.

Director Sommers asked when the District starts looking for more revenue.

District Fire Chief Carlini stated, right away. The District needs to start looking into the ambulance fees and plan review fees.

President Etchegoyhen stated there are difficult decisions ahead that need to be made.

Director Sommers asked if it is a motion to adjourn or recess into closed session.

Legal Counsel Mark Forsberg stated it would be to recess into closed session.

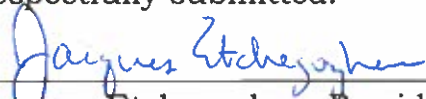
3. For Possible Action. Discussion and possible action to adjourn the 2023/2024 budget workshop. (Jacques Etchegoyhen, President) 5 minutes.

MOTION to recess into closed session.

RESULT:	APPROVED [UNANIMOUS]
MOTION BY:	Mike Sommers
SECOND BY:	John Bellona
AYES:	Bellona, Curtis, Etchegoyhen, Sommers
NAYS:	
ABSENT:	Griffin

There being no further business to come before the Board, the meeting recessed at 12:06 pm.

Respectfully submitted:



Jacques Etchegoyhen, President
East Fork Fire Protection District

**EAST FORK FIRE PROTECTION DISTRICT BOARD
WORKSHOP MEETING OF FEBRUARY 21, 2023**

ATTEST:



Holly Megee, Board Clerk
East Fork Fire Protection District

APPROVED