Financial Statements
For the Year Ended June 30, 2024

North Lake Tahoe Fire Protection District

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT, NEVADA
JUNE 30, 2024
TABLE OF CONTENTS

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT, NEVADA
JUNE 30, 2024
TABLE OF CONTENTS

Independent Auditor's Report

To the Board of Directors
North Lake Tahoe Fire Protection District
Incline Village, Nevada

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the North Lake Tahoe Fire Protection District (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2024, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5A-5H, schedule of revenues, expenditures, and changes in fund balances – budget and actual for the general fund on pages 45-46, schedule of changes in the District's OPEB liability and related ratios on pages 47-48, schedule of the District's contributions – OPEB on page 49, schedule of the District's proportionate share of net pension liability on page 50, schedule of the District's contributions – pension on page 51, and the notes to the required supplementary information on page 52 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 management's discussion and analysis, schedule of changes in the District's OPEB liability and related ratios, schedule of the District's contributions – OPEB, schedule of the District's proportionate share of net pension liability, schedule of the District's contributions – pension, and the notes to the required supplementary information in accordance with GAAS, 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.

The schedule of revenues, expenditures, and changes in fund balances – budget and actual for the general fund is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The schedule of revenues, expenditures, and changes in fund balances – budget and actual for the general fund 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 GAAS. In our opinion, the schedule of revenues, expenditures, and changes in fund balances – budget and actual for the general fund is fairly stated, in all material respects, in relation to the basic financial statements as a whole. The schedule of revenues, expenditures, and changes in fund balances for the general fund for the year ended June 30, 2023, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2023 financial statements. The information was subjected to the auditing procedures applied in the audit of the 2023 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of revenues, expenditures, and changes in fund balances for the general fund is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2023.

Supplementary 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 individual fund – budget and actual schedules and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 GAAS. In our opinion, the individual fund – budget and actual schedules and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the District as of and for the year ended June 30, 2023 (not presented herein), and have issued our report thereon dated March 26, 2024 which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The individual fund schedules for the year ended June 30, 2023 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2023 financial statements. The information was subjected to the audit procedures applied in the audit of the 2023 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the individual fund schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2023.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2025, 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 solely to 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
March 27, 2025

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024

As management of the North Lake Tahoe Fire Protection District's (the District) finances, we offer readers of the District's financial statements this narrative overview and analysis of the District's financial activities for the year ended June 30, 2024.

FINANCIAL HIGHLIGHTS

- The liabilities and deferred inflows of resources of the District's governmental activities exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by $4,124,117 (reported as net position), resulting in a deficit net position. Of the total net position $4,797,804 in the net investment in capital assets, $77 is restricted, and ($8,921,998) is an unrestricted deficit. Please see Note 5 of the Notes to the Financial Statements, as well as the Required Supplementary Information Schedule of the District's Proportionate Share of Net Pension Liability for additional information.

- The liabilities and deferred inflows of resources of the District's business-type activities exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by $998,580 resulting in a deficit net position. Please see Note 5 of the Notes to the Financial Statements, as well as the Required Supplementary Information Schedule of the District's Proportionate Share of Net Pension Liability for additional information.

- The assessed valuation of the District's property tax base increased by 24.6% over last year's assessed value. The associated property tax revenues increased by 6.48% due to the abatements as required by Nevada statute. The District's consolidated tax revenues increased by 2.47% this fiscal year.

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 are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains 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 private sector business. The Statement of Net Position presents information on all of the District's assets and liabilities and deferred inflows and outflows of resources (as applicable), with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator as to whether the financial position of the District is improving or deteriorating.

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 (uncollected taxes, earned but unused vacation leave and other compensated absences, other post-employment benefits, and net pension-related items).

The government-wide financial statements show the public safety function of the District, which is principally supported by taxes and intergovernmental revenue (governmental activities). All governmental activities of the District are included in the public safety function and all business-type activities are included in Ambulance activities, a component of public safety (business-type activities) since the District is a single-purpose entity.

The government-wide financial statements can be found on pages 6 and 7 of the 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. The District has governmental funds, a proprietary fund, and a fiduciary fund.

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 government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable 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 government 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.

For the 2023-2024 fiscal year, the District maintained three individual governmental funds. Information is presented separately in the Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Debt Service Fund, and Capital Projects Fund. The basic governmental fund financial statements can be found on pages 8-11 of this report.

Proprietary Funds. The District maintains one proprietary fund (also an Enterprise fund). Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District uses an enterprise fund to account for its ambulance operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the Ambulance Fund, which is considered to be a major fund of the District. The enterprise fund data is shown elsewhere in the report. The basic proprietary fund financial statements can be found on pages 12-14 of this report.

Fiduciary Fund. The fiduciary fund is used to account for resources held for the benefit of parties outside of the District. The fiduciary fund is not included in the government-wide financial statements because the resources of the fund are not available to support the District's own programs. The fiduciary fund maintained by the District is a fiduciary component unit. The North Lake Tahoe Fire Protection District Post-Retirement Plan & Trust is required to be included in the District's basic financial statements because the District has a financial burden to make contributions to the Plan and the Plan is fiscally dependent on the District. The basic fiduciary fund financial statements can be found on pages 15-16 of this report.

The District adopts an annual budget for each of its funds, except the fiduciary fund. A budgetary comparison schedule has been provided for each fund to demonstrate compliance with the budget.

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 17-44 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budgetary comparison information, the District's progress in funding its obligation to provide post-employment benefits, and information on the District's share of the net pension liability for PERS along with the information for the District's contributions to PERS. Required supplementary information can be found on pages 45-52 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. Condensed versions of the Statement of Net Position as of June 30, 2024 and 2023 are presented below.

North Lake Tahoe Fire Protection District's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	$11,836,541	$12,865,294	$926,533	$1,395,832	$12,763,074	$14,261,126
Capital assets	5,991,773	6,352,274	931,211	428,628	6,922,984	6,780,902
Total assets	17,828,314	19,217,568	1,857,744	1,824,460	19,686,058	21,042,028
Deferred outflows of Resources	10,224,787	9,182,096	1,052,611	1,152,018	11,277,398	10,334,114
Noncurrent liabilities	30,035,513	33,444,550	3,731,091	3,646,406	33,766,604	34,090,956
Other liabilities	1,252,306	2,028,601	139,614	102,079	1,391,920	2,130,680
Total liabilities	31,287,819	32,473,151	3,870,705	3,748,485	35,158,524	36,221,636
Deferred inflows of Resources	889,399	914,785	28,230	2,134	917,629	916,919
Net assets:						
Net investment in capital assets	4,797,804	4,499,887	931,211	428,628	5,729,015	4,928,515
Restricted for:						
Debt service	77	77	-	-	77	77
Unrestricted (deficit)	(8,921,998)	(9,488,236)	(1,919,791)	(1,202,769)	(10,841,789)	(10,691,005)
Total Net Position (deficit)	($ 4,124,117)	($ 4,988,272)	($ 988,580)	($ 774,141)	($ 5,112,697)	($ 5,762,413)

The Statement of Net Position presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference 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. Although recognizing net pension liability-related amounts indicates a deterioration of the District's financial position, the reader should be aware that the liability relating to PERS is currently paid by the District as a portion of employees' salaries and benefits throughout each year. The District will not be required to pay this entire amount at one time unless unforeseen circumstances arise. Total assets and deferred outflows of the District as of June 30, 2024, were $30,963,456, a decrease of $412,686 from fiscal year 2023. Cash and Investments accounted for $9,077,757 of the 2024 fiscal year total, a decrease of $1,958,120 from fiscal year 2023 of $11,035,877. Receivables for 2024 are $3,307,158 an increase of $473,408 from fiscal year 2023 of $2,833,750. Capital assets, net of accumulated depreciation/amortization, accounted for $6,922,984 of the 2024 fiscal year total and $6,780,902 of the 2023 fiscal year total, for an increase of $142,082. Deferred outflows of resources for 2024 are $11,277,398 an increase of $943,284 from fiscal year 2023 total of $10,334,114. The increase is related to the OPEB-related amounts recognized in 2024 offset by net pension and deferred charges on refunding.

Total liabilities at the end of fiscal year 2024 were $35,158,524 and $36,221,636 at the end of fiscal year 2023, a decrease of $1,063,112. The decrease is primarily related to a decrease in principal payments on outstanding bonds for $641,000, property tax refunds of $1,849,574, and a decrease in due to other governments of $734,257. This decrease is offset by an increase to the net pension and OPEB liabilities of $2,134,117. The District's share of the Nevada net pension liability increased slightly to .13429% for fiscal year 2024 compared to .13072% for fiscal year 2023. See Note 7 of the Notes to the Financial Statements for additional information.

North Lake Tahoe Fire Protection District's Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	$4,635,935	$5,440,092	$849,649	$960,538	$5,485,584	$6,400,630
Operating grants,						
interest and contributions	2,678,867	459,248	-	-	2,678,867	459,248
Capital grants/contributions	263,262	-	139,679	-	402,941	-
General revenues:						
Property taxes	11,746,511	11,027,640	-	-	11,746,511	11,027,640
Consolidated taxes	4,633,314	4,521,786	-	-	4,633,314	4,521,786
Other taxes	763,433	837,088	-	-	763,433	837,088
Unrestricted interest income	387,655	239,394	8,495	1,751	396,150	241,145
Gain on sale of capital assets	26,550	87,560	40,000	-	66,550	87,560
Change in estimate of property tax refunds	1,798,655	-	-	-	1,798,655	-
Total Revenues	26,934,182	22,612,808	1,037,823	962,289	27,972,005	23,575,097
Expenses:						
Public Safety	24,339,401	19,798,135	-	-	24,339,401	19,798,135
Interest on long- term debt	42,499	46,122	-	-	42,499	46,122
Ambulance services	-	-	2,880,389	2,570,619	2,880,389	2,570,619
Total expenses	24,441,900	19,844,257	2,880,389	2,570,619	27,322,289	22,414,876
Change in net position before transfers	2,492,282	2,768,551	(1,842,566)	(1,608,330)	649,716	1,160,221
Transfers	(1,628,127)	(1,650,000)	1,628,127	1,650,000	-	-
Change in net position	864,155	1,118,551	(214,439)	41,670	649,716	1,160,221
Net Position (deficit), Beginning of Year	(4,988,272)	(6,106,823)	(774,141)	(815,811)	(5,762,413)	(6,922,634)
Net Position (deficit), End of Year	($4,124,117)	($4,988,272)	($988,580)	($774,141)	($5,112,697)	($5,762,413)

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.

As such, revenues and expenses are reported in this Statement for some items that will only result in cash flows in future periods (e.g., uncollected taxes, earned but unused vacation leave and net pension related amounts). Total revenues for the year ended June 30, 2024, were $27,972,005 and consisted primarily of taxes and intergovernmental revenues. This represents a $3,359,085 increase over fiscal year 2023 total revenues of $23,575,097. The increase is mainly related to an increase in federal grant revenue of $2,678,867, an increase in ad valorem tax revenue (property tax revenue) of $718,871. Total expenses for fiscal year 2024 were $27,322,289, an increase of $4,907,413 over fiscal year 2023 expenses of $22,414,876. The increase relates to salary & wages expense increases which include annual salary increases totaling $865,688. Changes in benefit expenses include increases to workers' compensation, pension and OPEB related amounts totaled $1,150,514. Other expenses also increased by $2,430,467 over fiscal year 2023, primarily as the result of FEMA grant expenditures and related equipment of $2,071,593, as well as an increase in professional services, and equipment supplies.

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 expendable resources. Such information is useful in assessing the District's financing requirements. In particular, the 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 or available for use in unexpected circumstances.

At of the close of the fiscal year 2024, the District's governmental funds reported combined ending fund balances of $10,389,548, a decrease of $363,025 when compared to the close of fiscal year 2023. Of the $10,389,548 combined ending fund balance, $5,387,333 is unassigned.

The decrease from the prior fiscal year in the District's combined governmental fund balances of $363,025, as noted above, is due to a decrease in the General Fund ending fund balance of $425,734, and an increase in the Capital Projects Fund ending fund balance of $62,709.

The $425,734 decrease in the General Fund is primarily due to the transfer of funds to other governmental funds for $2,458,232 for debt service and capital outlay. The increase in the Capital Projects Fund of $62,709 was primarily due to federal grant revenue of $263,262 offset by an increase in capital expenditures of $60,427, and a decrease in transfers into the fund of $113,000.

The General Fund is the chief operating fund of the District and as of June 30, 2024, the fund balance was $9,518,907. General Fund revenues were slightly higher than the budget by 0.09%. This variance is due to an increase in property tax revenue and interest income, offset by the timing of receipts of Fire Suppression reimbursements. Salaries and wages and benefits were under budget by $1,765,911 due to budgeting conservatively for new or replacement positions, and the associated pension and insurance expenses. Service and supplies expenditures were under budget by $2,126,064 mainly as the District budgeted to repay the taxpayers of Incline Village and Crystal Bay for property tax refunds and interest as a service and supply; however, the refunds were later reclassified and presented as debt service. The net amount between debt service and service and supplies is $1,984,549 under budget. The balance of the under-budgeted amount was primarily in professional services, reimbursable expenditures, building repairs and maintenance, dispatch, and training, and operational expenses. The underbudget amount is offset by unbudgeted FEMA grant expenditures of $1,412,960 due to supply chain delays for equipment arriving in fiscal year 2024.

Proprietary Funds. The accounting records for the Proprietary Funds are maintained on the accrual basis of accounting. Under this method, revenues are recognized at the time they are earned and expenses are recognized when the related liabilities are incurred. The measurement focus of these funds is economic resources, where the revenues derived from current operations are generally intended to provide those resources necessary to maintain continued delivery of such services in future periods.

The proprietary fund for the District is the Ambulance Fund, which accounts for the emergency medical services operations of the District. The net position for this fund decreased by $214,439 in the 2023-2024 fiscal year, due primarily to decreases in ambulance fee revenue & GEMT cost settlement of $121,209, and an increase in expenses primarily due to salaries and wages and benefits, specifically the allocated amounts from the District's net pension liability-related amounts of $205,542. This was offset by Federal grant revenue of $139,679, and a gain on disposal of assets of $18,127.

Fiduciary Fund. The fiduciary fund is used to account for resources held for the benefit of parties outside of the District. The fiduciary fund maintained by the District is a fiduciary component unit. The North Lake Tahoe Fire Protection District Post-Retirement Plan is required to be included in the District's basic financial statements because the District has a financial burden to make contributions to the Plan and the Plan is fiscally dependent on the District. The activities of the Plan are reported in the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position. The net position of the fund at June 30, 2024 was $3,396,220. These amounts are restricted for post-employment health benefits.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets: The District's capital assets at June 30, 2024 were $6,922,984 (net of accumulated depreciation/amortization). This investment in capital assets includes land, land improvements, buildings and improvements, and vehicles, equipment, and leased right-to-use assets. Capital assets increased by $142,082, meaning the capital asset purchases were greater than the capital asset disposals and depreciation expense. The more significant additions during the year ended June 30, 2024, related to equipment purchased with assistance from a FEMA grant, vehicle upfitting, new ambulances, and a rescue watercraft. Detailed information regarding capital assets can be found in Note 4 to the financial statements.

Long-term liabilities: At the end of the fiscal year, the District had total outstanding long-term liabilities of $33,766,604, including a net pension liability of $24,511,387, and the actuarially determined unfunded liability of other post-employment benefits of $6,241,662. Additional detailed information regarding long-term liabilities can be found in Note 5, Note 7 and Note 10.

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 Incline Village and Crystal Bay, Nevada. Property tax revenues are projected to rise for 2024-2025 as property values increased by 2.69% for the coming fiscal year. The District's property tax rate is .6480 for fiscal year 2025-2024, which is the same as last year's tax rate.

- The second significant tax revenue for the District, the consolidated tax, consists primarily of sales taxes. For the year ended June 30, 2024, taxable sales in Washoe County increased by 3.03% over the previous fiscal year. The District continues to budget sales tax revenue conservatively.

REQUESTS FOR INFORMATION

The financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Chief Financial Officer, 866 Oriole Way, Incline Village, Nevada 89451.

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	$ 8,666,705	$ 411,052	$ 9,077,757
Accounts receivable, net of allowance for bad debts	72,803	457,752	530,555
Property taxes receivable	51,112	-	51,112
Due from other governments	2,725,491	-	2,725,491
Inventory	2,424	-	2,424
Prepaid expense	318,006	57,729	375,735
Capital assets:			
Capital assets, not being depreciated	1,019,283	30,588	1,049,871
Capital assets, being depreciated	4,875,526	900,623	5,776,149
Right-to-use asset	96,964	-	96,964
Total Assets	17,828,314	1,857,744	19,686,058
DEFERRED OUTFLOWS OF RESOURCES			
Net pension - related amounts	7,502,207	1,052,611	8,554,818
OPEB - related amounts	2,710,850	-	2,710,850
Deferred charge on refunding	11,730	-	11,730
Total Deferred Outflows of Resources	10,224,787	1,052,611	11,277,398
LIABILITIES			
Accounts payable	122,467	-	122,467
Accrued liabilities	1,115,437	139,614	1,255,051
Accrued interest	5,009	-	5,009
Due to other governments	9,393	-	9,393
Noncurrent liabilities:			
Due within one year	825,765	82,550	908,315
Due in more than one year	2,072,173	33,067	2,105,240
Net pension liability	20,895,913	3,615,474	24,511,387
Other postemployment benefits	6,241,662	-	6,241,662
Total Liabilities	31,287,819	3,870,705	35,158,524
DEFERRED INFLOWS OF RESOURCES			
Net pension - related amounts	201,198	28,230	229,428
OPEB - related amounts	688,201	-	688,201
Total Deferred Inflows of Resources	889,399	28,230	917,629
NET POSITION			
Net investment in capital assets	4,797,804	931,211	5,729,015
Restricted for debt service	77	-	77
Unrestricted (deficit)	(8,921,998)	(1,919,791)	(10,841,789)
Total Net Position (Deficit)	$ (4,124,117)	$ (988,580)	$ (5,112,697)

See accompanying notes.

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

		PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
FUNCTIONS/PROGRAMS							
Governmental Activities:							
Public safety	$ 24,399,401	$ 4,635,935	$ 2,678,867	$ 263,262	$ (16,821,337)	$ -	$ (16,821,337)
Debt service							
Interest on long-term debt	42,499	-	-	-	(42,499)	-	(42,499)
Total Governmental Activities	24,441,900	4,635,935	2,678,867	263,262	(16,863,836)	-	(16,863,836)
Business-Type Activities:							
Ambulance	2,880,389	849,649	-	139,679	-	(1,891,061)	(1,891,061)
Total	$ 27,322,289	$ 5,485,584	$ 2,678,867	$ 402,941	(16,863,836)	(1,891,061)	(18,754,897)
General Revenues:							
Ad valorem taxes					11,746,511	-	11,746,511
Consolidated tax revenue					4,633,314	-	4,633,314
AB104, fair share					763,433	-	763,433
Unrestricted interest income					387,655	8,495	396,150
Gain on the sale of capital assets					26,550	40,000	66,550
Change in estimate of property tax refunds					1,798,655	-	1,798,655
Transfers					(1,628,127)	1,628,127	-
Total General Revenues and Transfers					17,727,991	1,676,622	19,404,613
Change in Net Position					864,155	(214,439)	649,716
NET POSITION (DEFICIT), BEGINNING OF YEAR					(4,988,272)	(774,141)	(5,762,413)
NET POSITION (DEFICIT), END OF YEAR					$ (4,124,117)	$ (988,580)	$ (5,112,697)

See accompanying notes.

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2024

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash and investments	$ 7,798,555	$ 77	$ 868,073	$ 8,666,705
Accounts receivable	72,803	-	-	72,803
Property taxes receivable	51,112	-	-	51,112
Due from other governments	2,723,000	-	2,491	2,725,491
Inventory	2,424	-	-	2,424
Prepaid expense	318,006	-	-	318,006
Total Assets	$ 10,965,900	$ 77	$ 870,564	$ 11,836,541
LIABILITIES				
Accounts payable	$ 122,467	$ -	$ -	$ 122,467
Accrued liabilities	1,115,437	-	-	1,115,437
Due to other governments	9,393	-	-	9,393
Total Liabilities	1,247,297	-	-	1,247,297
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - delinquent property taxes	51,112	-	-	51,112
Unavailable revenue - project reimbursements	100,778	-	-	100,778
Unavailable revenue - miscellaneous	3,810	-	-	3,810
Unavailable revenue - mutual aid reimbursements	43,996	-	-	43,996
Total Deferred Inflows of Resources	199,696	-	-	199,696
FUND BALANCES				
Nonspendable	320,430	-	-	320,430
Restricted	-	77	-	77
Committed	-	-	870,564	870,564
Assigned	3,811,144	-	-	3,811,144
Unassigned	5,387,333	-	-	5,387,333
Total Fund Balances	9,518,907	77	870,564	10,389,548
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 10,965,900	$ 77	$ 870,564	$ 11,836,541

See accompanying notes.

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
RECONCILIATION OF THE BALANCE SHEET TO THE
TO THE STATEMENT OF NET POSITION - GOVERNMENTAL FUNDS
JUNE 30, 2024

Fund Balance - Governmental Funds		$ 10,389,548
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets and right-to-use leased assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Governmental capital assets	$ 21,215,961	
Less: Accumulated depreciation and amortization	(15,224,188)	
		5,991,773
Deferred outflows of resources is the consumption of net position that applies to a future period and so is not recognized as an outflow of resources until then.		
Deferred outflow on refunding		11,730
Long-term liabilities, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Medium-term bonds payable	(1,103,000)	
Accrued interest	(5,009)	
Net pension liability	(20,895,913)	
Lease liability	(102,700)	
Other postemployment benefits obligation	(6,241,662)	
Compensated absences	(1,692,238)	
		(30,040,522)
Deferred outflows and inflows of resources related to pensions and other post-employment benefits are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to OPEB	2,710,850	
Deferred inflows of resources related to OPEB	(688,201)	
Deferred outflows of resources related to pensions	7,502,207	
Deferred inflows of resources related to pensions	(201,198)	
		9,323,658
Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources until that time by governmental funds.		
Deferred inflows related to unavailable revenue		199,696
Net Position (Deficit) - Governmental Activities		$ (4,124,117)

See accompanying notes.

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
REVENUES				
Taxes	$ 11,735,560	$ -	$ -	$ 11,735,560
Intergovernmental	8,075,614	-	263,262	8,338,876
Miscellaneous	4,886,886	-	40,000	4,926,886
Total Revenues	24,698,060	-	303,262	25,001,322
EXPENDITURES				
Current:				
Public safety	22,524,047	-	-	22,524,047
Capital outlay	-	-	417,103	417,103
Debt service:				
Principal	136,797	641,000	-	777,797
Interest	4,718	17,232	-	21,950
Total Expenditures	22,665,562	658,232	417,103	23,740,897
Excess (Deficiency) of Revenues over (under) Expenditures	2,032,498	(658,232)	(113,841)	1,260,425
OTHER FINANCING SOURCES (USES)				
Sale of assets	-	-	26,550	26,550
Transfers:				
Transfers in	-	658,232	150,000	808,232
Transfers out	(2,458,232)	-	-	(2,458,232)
Total Other Financing Sources (Uses)	(2,458,232)	658,232	176,550	(1,623,450)
Net Change in Fund Balance	(425,734)	-	62,709	(363,025)
FUND BALANCE, BEGINNING OF YEAR	9,944,641	77	807,855	10,752,573
FUND BALANCE, END OF YEAR	$ 9,518,907	$ 77	$ 870,564	$ 10,389,548

See accompanying notes.

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

Net Change in Fund Balance - Governmental Funds		$ (363,025)
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Governmental Funds report capital outlays as expenditures and the proceeds from the sale of assets as other financing sources. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives and only the gain or loss is recorded when assets are sold.		
Additions to capital assets	$ 443,596	
Less: Current year depreciation/amortization	(804,097)	
		(360,501)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in Governmental Funds.		
Change in deferred inflows of resources		107,655
The issuance of long-term debt provides current financial resources to Governmental Funds, while the repayment of the principal of long-term debt consumes the current financial resources of Governmental Funds. Neither transaction, however, has any effect on Net Position:		
Principal payments on debt	641,000	
Principal payments on lease liability	40,878	
Decrease in property tax refunds	1,894,574	
		2,576,452
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.		
Change in accrued interest	2,912	
Change in long-term compensated absences	(113,338)	
Amortization of deferred charge on refunding	(23,461)	
		(133,887)
Governmental Funds report the District PERS and OPEB contributions as expenditures. However, in the Statement of Activities, the cost of pension and other post-employment benefits earned is reported as pension or OPEB expense.		
Change in net OPEB liability	(1,224,351)	
Change in deferred outflows of resources - OPEB related	1,514,902	
Change in deferred inflows of resources - OPEB related	211,858	
District PERS contributions	1,640,420	
District pension expense	(3,105,368)	
		(962,539)
Change in Net Position of Governmental Activities		$ 864,155

See accompanying notes.

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
AMBULANCE FUND
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2024

	Business-Type Activities Enterprise Fund
ASSETS	
Current Assets:	
Cash and investments	$ 411,052
Accounts receivable, net of allowance for bad debts	457,752
Prepaid expense	57,729
Total Current Assets	926,533
Noncurrent Assets:	
Capital assets, not being depreciated	30,588
Capital assets, being depreciated, net	900,623
Total Noncurrent Assets	931,211
Total Assets	1,857,744
Deferred Outflows of Resources:	
Net pension - related amounts	1,052,611
Total Assets and Deferred Outflows of Resources	2,910,355
LIABILITIES	
Current Liabilities:	
Accrued salaries and benefits	139,614
Compensated absences	82,550
Total Current Liabilities	222,164
Noncurrent Liabilities:	
Compensated absences	33,067
Net pension liability	3,615,474
Total Noncurrent Liabilities	3,648,541
Total Liabilities	3,870,705
Deferred Inflows of Resources:	
Net pension - related amounts	28,230
Total Liabilities and Deferred Inflows of Resources	3,898,935
NET POSITION	
Net investment in capital assets	931,211
Unrestricted (deficit)	(1,919,791)
Total Net Position (Deficit)	$ (988,580)

See accompanying notes.

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
AMBULANCE FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Business-Type Activities Enterprise Fund
OPERATING REVENUES	
Ambulance fees, net of bad debts	$ 724,326
GEMT cost settlement	81,296
Other	44,027
Total Operating Revenues	849,649
OPERATING EXPENSES	
Salaries and wages	1,126,424
Employee benefits	946,183
Services and supplies	682,842
Depreciation	124,940
Total Operating Expenses	2,880,389
Operating Income (Loss)	(2,030,740)
NONOPERATING REVENUES	
Federal and state grants	139,679
Gain on disposal of assets	18,127
Interest revenue	8,495
Total Nonoperating Revenues	166,301
Income (Loss) before Transfers	(1,864,439)
TRANSFERS	
Transfers in	1,650,000
Changes in Net Position	(214,439)
NET POSITION (DEFICIT), BEGINNING OF YEAR	(774,141)
NET POSITION (DEFICIT), END OF YEAR	$ (988,580)

See accompanying notes.

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
AMBULANCE FUND
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Business-Type Activities Enterprise Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from patients	$ 667,269
Cash received from others	125,323
Cash payments for salaries and benefits	(1,823,416)
Cash payments for services and supplies	(707,155)
Net Cash Provided (Used) by Operating Activities	(1,737,979)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers from other funds	1,650,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	(649,396)
Proceeds from sale of capital assets	40,000
Grant proceeds	139,679
Net Cash Provided (Used) by Capital and Related Financing Activities	(469,717)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on investments	8,495
Net Increase in Cash and Cash Equivalents	(549,201)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	960,253
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 411,052
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income (loss)	$ (2,030,740)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation expense	124,940
(Increase) decrease in accounts receivable, net	(57,057)
(Increase) decrease in prepaid expense	(22,845)
Increase (decrease) in accounts payable	(1,468)
Increase (decrease) in accrued salaries and benefits	39,003
Increase (decrease) in pension related items	205,542
Increase (decrease) in compensated absences	4,646
Total Adjustments	292,761
Net Cash Provided (Used) by Operating Activities	$ (1,737,979)

See accompanying notes.

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2024

		Post-Retirement Plan & Trust
ASSETS		
Contributions receivable	$	17,280
Investments		3,378,940
Total assets		3,396,220
NET POSITION RESTRICTED FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS	$	3,396,220

See accompanying notes.

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2024

		Post-Retirement Plan & Trust
ADDITIONS		
CONTRIBUTIONS		
Active	$	32,820
Employer		1,180,463
		1,213,283
INVESTMENT INCOME		
Net increase (decrease) in fair value of investments		342,916
Interest and dividends		73,536
Less investment expense		(895)
		415,557
Total additions		1,628,840
DEDUCTIONS		
Benefit payments		436,911
Administrative expenses		14,460
Total deductions		451,371
Change in net position		1,177,469
NET POSITION, BEGINNING OF YEAR		2,218,751
NET POSITION, END OF YEAR	$	3,396,220

See accompanying notes.

NOTE 1 – Summary of Significant Accounting Policies:

Reporting Entity:

North Lake Tahoe Fire Protection District (the District) is a municipality of the State of Nevada located in Washoe County, Nevada. The District is under the direct jurisdiction of the Board of Directors of North Lake Tahoe Fire Protection District. The financial statements of the District consist of the funds of the District for which the District is considered to be financially accountable.

The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities* and in GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. These standards require the inclusion in the District's financial statements of fiduciary component units if the District has control of the assets and if the following criteria are met:

1. If the District appoints a voting majority and either has financial burden (legally or assumed) to make contributions or has imposition of will.
2. If the District does not appoint a voting majority and has both a financial burden (legally or assumed) to make contributions and there is fiscal dependency on the District.

Therefore, due to the above criteria, the North Lake Tahoe Fire Protection District Post-Retirement Plan & Trust (Trust) is considered to be a fiduciary component unit of the District.

The Trust was created under the general laws of Nevada and established as a voluntary employee benefit association (VEBA) pursuant to the Internal Revenue Service (IRS) Code 501(c)(9). Tax exempt status was granted by the IRS on February 18, 2015. The Trust was created for the sole purpose of receiving irrevocable contributions to provide post-retirement health insurance benefits to retirees of the District in accordance with the terms of the Trust. Trust assets are legally protected from creditors of the District.

The Trust is administered by a four-member board to provide healthcare benefits to retired District employees and their beneficiaries. The members of the four-member board consist of two administrative trustees (The Assistant Fire Chief and another designated member) and two union representatives.

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. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function/activity. 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/activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function/activity. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from an exchange transaction such as providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Nonoperating revenues and nonoperating expenses result from nonexchange transactions or ancillary service.

The fund financial statements provide information about the funds of the District. Separate financial statements are provided for each fund category – governmental funds, proprietary funds, and fiduciary funds, even though the latter is excluded from the government-wide financial statements. Major individual governmental funds, and the major individual enterprise fund, are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as is the proprietary fund. Revenues are recorded when earned and expenses are recorded when liabilities are 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. The District's net position is reported in three parts – net investment in capital assets, restricted net position and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities, then unrestricted resources as they are needed.

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. When revenues are due, but will not be collected within this 60 day period, the receivable is recorded and an offsetting deferred inflow of resources is established. 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, claims, and judgments are recorded only when payment is due.

Property taxes, 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 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 Debt Service Fund accounts for the accumulation of funds for the payment of principal and interest on long-term debt.
- The Capital Projects Fund accounts for the financial resources to be used for the acquisition and construction of major capital assets.

The District has one proprietary fund, which is considered to be a major enterprise fund:

- The Ambulance Fund accounts for the operations of the District's ambulance service.

The District reports the following fiduciary fund:

- The District's fiduciary fund is for the North Lake Tahoe Fire Protection District Post-Retirement Plan & Trust and is accounted for on the accrual basis of accounting. The Trust does not present the results of operations of the District or have a measurement focus and is thus, excluded from government-wide financial statements of the District.

Assets, Liabilities, and Net Position or Equity:

Cash Deposited and Invested

Cash balances from all funds are combined and, to the extent practicable, invested as permitted by law. Investments are carried at fair value.

Pursuant to Nevada Revised Statutes (NRS) 355.167, NRS 355.170, and NRS 355.171, the District may only invest in the following types of securities:

- United States bonds and debentures maturing within ten (10) years from the date of purchase.
- Certain farm loan bonds.
- Securities of the United States Treasury, United States Postal Service, or the Federal National Mortgage Association maturing within ten (10) years from the date of purchase.
- Certificates of deposit from commercial banks and insured savings and loan associations.
- Certain securities issued by local governments of the State of Nevada.
- Certain obligations of state and local governments.
- Certain bankers' acceptances, commercial paper issued by a corporation organized and operating in the United States, and money market mutual funds.

- Certain notes and bonds that are issued by corporations organized and operating in the United States.
- Other securities expressly provided by other statutes, including repurchase agreements.
- State of Nevada Local Government Investment Pool.

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.

District investments are reported at fair value determined by quoted market prices, and changes in fair value are included in investment income. The Trust participates in the State of Nevada Retirement Benefit Investment Fund (RBIF), an external investment pool. The Trust's net earnings from the external investment pool are based on the Trust's original investment plus a monthly allocation of investment income, including realized and unrealized gains and losses, which is the same as the value of the pool shares.

Property Taxes Receivable

Real property taxes receivable reflects only those taxes receivable from the delinquent roll years. Delinquent taxes from all roll years prior to 2022-23 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 reflects only those taxes management believes to be collectible. Delinquent taxes from prior years have been written off.

Amounts not collected within 60 days after year end have been recorded as unavailable revenue at the governmental fund level.

Accounts Receivable

The allowance method is used to provide for estimated uncollectible amounts in the Ambulance Fund. At June 30, 2024, the allowance for uncollectible accounts was $457,851.

The District has not established an allowance for uncollectible receivables for Governmental Funds since prior experience has shown that uncollectible receivables are not significant.

Inventory/Prepaid Expense

For all funds, the District charges consumable supplies against appropriations at the time of purchase.

When payments to vendors reflect costs applicable to future accounting periods, they are recorded as prepaid items in both the government-wide and fund financial statements.

Capital Assets

Capital assets, which include land, land improvements, buildings and improvements, and vehicles and equipment, are reported in the government-wide financial statements and the enterprise fund financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than $10,000 for office equipment, tools, operations equipment, buildings, land improvements, and for construction and remodel projects with a normal useful life of more than three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition 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. Capital assets of the District are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Land improvements	25
Buildings and improvements	15-25
Vehicles and equipment	3-10

The District reviews the carrying value of property and equipment for impairment whenever events and circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. The factors considered by management in performing this assessment include current operating results, trends and prospects, the manner in which the property is used, and the effects of obsolescence, demand, competition, and other economic factors. Based on this assessment, there was no impairment at June 30, 2024.

Right to use leased assets are recognized at the lease commencement date and represent the District’s right to use an underlying asset for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the leased asset into service. Right to use leased assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method. The amortization period for the District’s leased asset is 6 years.

Deferred Outflows/Inflows of Resources

In addition to assets, the District also reports deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. Certain deferred costs related to pensions and OPEB qualify for reporting in this category, as well as the unamortized deferred charge on refunding (the difference between the reacquisition price and the net carrying amount of the refunded debt).

In addition to liabilities, the District also reports deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Certain deferred amounts related to pensions and OPEB qualify for reporting in this category, as do certain revenues that are unavailable to satisfy current obligations.

Pensions

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), and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. 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.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the North Lake Tahoe Fire Protection District Health Insurance Benefit Plan (the District's Plan) and additions to/deductions from the District's Plan fiduciary net position have been determined on the same basis as they are reported by the District's Plan. For this purpose, the District's Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

Long-Term Liabilities

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts and prepaid bond insurance, if applicable, are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed during the current period.

In fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of bonds issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses, when applicable. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Lease liabilities represent the District's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments are discounted based on a borrowing rate determined by the District.

Compensated Absences

The costs involved in vacation time, sick leave, and compensatory time benefits are accrued when incurred in the government-wide and enterprise fund 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.

Upon death, permanent disability, or termination of an employee after two years of full-time service, all personnel, whether union or non-union, shall be compensated (50% upon termination, 75% upon retirement; 100% in the event of death) of accrued sick leave in accordance with the employment contract in effect and District policy.

Equity Classifications

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/amortization and reduced by outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted Net Position – Consists of net position with constraints placed on its use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; (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 equity is classified as fund balance. Fund balance is further classified in the following components:

- Nonspendable – Amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.
- Restricted – Amounts that can be spent only for specific purposes because of constitutional provisions, enabling legislation, or because of constraints that are externally imposed by creditors, grantors, contributors, or the law or regulations of other governments.
- Committed – Amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to actions passed by the Board of Directors, which is the District's highest level of decision-making authority. A similar action is required to rescind or modify a commitment.
- Assigned – Amounts that the District intends to use for a specific purpose, that do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Chief Financial Officer under the authorization of the Board of Directors.
- Unassigned – all other spendable amounts in the General Fund.

Proprietary fund equity is classified the same as in the government-wide statements.

When an expenditure is incurred for purposes for which both restricted and unrestricted amounts are available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned amounts are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Director's has provided otherwise in its commitment or assignment actions.

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. The maximum tax rate was established in the State Constitution at $5 per $100 of assessed valuation; however, as a result of the legislative action, the tax rate was further limited to $3.64 per $100 of assessed valuation, except in cases of severe financial emergency defined in NRS 354.705.

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 District as part of Consolidated tax revenue.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 – Compliance with Nevada Revised Statutes (NRS) and the Nevada Administrative Code (NAC):

The District conformed to all significant statutory constraints on its financial administration during the year except for the following exceptions for apparent violations:

- NRS 354.598, 354.626, and NAC 354.481 – Actual expenditures exceeded those budgeted for the year in the Ambulance Fund by $180,541. The Ambulance Fund has a deficit net position of $988,580 at June 30, 2024. In addition, a change in net position was budgeted at a loss of $391,422 while the Ambulance Fund had a deficit beginning net position.

NOTE 3 – Cash and Investments:

A summary schedule of cash and investments for the District at June 30, 2024, is as follows:

Governmental Funds:	$8,666,705
Proprietary Fund	411,052
Fiduciary Fund	3,378,940
	$12,456,697

As previously noted, Nevada Revised Statutes (NRS 355.167, NRS 355.170 and NRS 355.171) set forth acceptable investments for Nevada local governments. The District has not adopted a formal investment policy that would further limit its investment choices nor further limit its exposure to certain risks.

The Trust has an established investment policy. Under the policy, the Trust's assets are limited to investments in the State of Nevada's Retirement Benefits Investment Fund (RBIF) and other investments authorized by Nevada Revised Statutes.

The Trust invests its assets in the RBIF. The RBIF was established pursuant to NRS 355.220 and is administered by the Retirement Benefits Investment Board (RBIB) as an unrated external investment pool. The RBIF is not registered with the Securities and Exchange Commission (SEC) as an investment company. Each participant acts as fiduciary for its share of the RBIF and is allocated earnings and expenses according to their proportional share in RBIF. Bank of New York, Mellon determines the fair value of the RBIF monthly. RBIF is valued at fair value. The Trust's investment in RBIF is reported in an amount equal to the original investment, less liabilities, plus monthly allocations of interest and dividend income, and realized and unrealized gains and losses. Investments can be withdrawn once per month, with five business days written notice, in an amount equal to the original investment plus the monthly allocation of earnings. Complete financial information on RBIF as of June 30, 2024 can be obtained by contacting Public Employees Retirement System (PERS) at 693 W. Nye Lane, Carson City, NV 89703.

The RBIF asset class is generally comprised of a combination of fixed income, marketable equity and international securities. The annual money-weighted rate of return on investments was 14.7%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The District is a voluntary participant in the State of Nevada Local Government Investment Pool (LGIP), which has regulatory oversight from the Board of Finance of the State of Nevada. LGIP is valued at fair value. The District's investment in the LGIP is reported in an amount equal to its original investment plus monthly allocations of interest income, and realized and unrealized gains and losses, which is the same as the value of the pool shares. The District is able to withdraw funds on a daily basis.

As of June 30, 2024, the North Lake Tahoe Fire Protection District had the following cash and investments:

Investments:	
State of Nevada Local Government Investment Pool (LGIP) *	$7,132,119
Retirement Benefits Investment Fund	3,378,940
	10,511,059
Total Cash	1,945,638
Total Cash and Investments	$ 12,456,697

* Represents average weighted maturity of 82 days

Interest Rate Risk. Interest rate risk is the risk of possible reduction in the value of a security, especially a bond, resulting from a rise in interest rates. As noted above, the District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates beyond those specified in the Statute.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation and is a function of the credit quality rating of investments. The LGIP and RBIF are unrated external investment pools. As noted above, the District does not have a formal investment policy that specifies minimum acceptable credit ratings.

Custodial Credit Risk on Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned. The District's bank deposits are covered by Federal Deposit Insurance Corporation (FDIC) insurance and collateralized by the Office of the State Treasurer/Nevada Collateral Pool.

NOTE 4 – Capital Assets:

Capital asset activity for the year ended June 30, 2024 was as follows:

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
Governmental Activities:				
Capital assets, not being depreciated:				
Land	$ 1,019,283	$ -	$ -	$ 1,019,283
Capital assets, being depreciated				
Land improvements	99,428	-	-	99,428
Buildings and improvements	10,405,436	4,620	-	10,410,056
Vehicles and equipment	9,215,417	438,976	(198,102)	9,456,291
Total capital assets, being depreciated	19,720,281	443,596	(198,102)	19,965,775
Less accumulated depreciation for:				
Land improvements	(99,428)	-	-	(99,428)
Buildings and improvements	(7,707,530)	(314,086)	-	(8,021,616)
Vehicles and equipment	(6,720,340)	(446,967)	198,102	(6,969,205)
Total accumulated depreciation	(14,527,298)	(761,053)	198,102	(15,090,249)
Total capital assets, being depreciated, net	5,192,983	(317,457)	-	4,875,526
Right-to-use leased assets being amortized				
Buildings	230,903	-	-	230,903
Accumulated amortization				
Buildings	(90,895)	(43,044)	-	(133,939)
Total right-to-use leased assets, being amortized	140,008	(43,044)	-	96,964
Governmental Activities capital assets, net	$ 6,352,274	$(360,501)	$ -	$ 5,991,773

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
Business-Type Activities:				
Capital assets, not being depreciated:				
Land	$ 30,588	$ -	$ -	$ 30,588
Capital assets, being depreciated				
Buildings	338,550	-	-	338,550
Vehicles and equipment	1,636,529	649,396	(247,622)	2,038,303
Total capital assets, being depreciated	1,975,079	649,396	(247,622)	2,376,853
Less accumulated depreciation for:				
Buildings	(338,550)	-	-	(338,550)
Vehicles and equipment	(1,238,489)	(124,940)	225,749	(1,137,680)
Total accumulated depreciation	(1,577,039)	(124,940)	225,749	(1,476,230)
Total capital assets, being depreciated, net	398,040	524,456	(21,873)	900,623
Business-Type activities capital assets, net	$ 428,628	$524,456	($21,873)	$ 931,211

Depreciation/amortization expense of $804,097 was charged to the public safety function and $124,940 was charged to Ambulance Fund operations.

NOTE 5 – 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 2.50% 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 2.50% service time factor. Regular members entering PERS on or after July 1, 2015, have a 2.25% multiplier for all years of service. 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 - 286.579.

Vesting

Regular members entering PERS prior to January 1, 2010 are eligible for retirement at age 65 with 5 years of service, at age 60 with 10 years of service, or at any age with 30 years of service. Regular members entering PERS on or after January 1, 2010, are eligible for retirement at age 65 with 5 years of service, or age 62 with 10 years of service, or any age with 30 years of service. Regular members entering PERS on or after July 1, 2015 are eligible for retirement at age 65 with 5 years of service, or at age 62 with 10 years of service, or at age 55 with 30 years of service, or at any age with 33 1/3 years of service.

Police/Fire members entering PERS prior to January 1, 2010 are eligible for retirement at age 65 with 5 years of service, at age 55 with 10 years of service, at age 50 with 20 years of service, or at any age with 25 years of service. Police/Fire members entering PERS on or after January 1, 2010, are eligible for retirement at 65 with 5 years of service, or age 60 with 10 years of service, or age 50 with 20 years of service, or at any age with 30 years of service. Only service performed in a position as a police officer or firefighter may be counted towards 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. One plan provides for matching employee and employer contributions, while the other plan provides for employer-pay contributions only. The District contributes under the employer-pay contribution (EPC) option.

Under the employer-pay provisions, the contributions made by employers on behalf of employees are not credited to the member's PERS account and are not refunded upon termination. For employees covered by the employer-pay provisions, average compensation is increased by half the total contributions made by the District and may not be less than it would have been if contributions had been made by the member and the employer separately.

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 Actuarial 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 year ended June 30, 2023, the statutory employer-pay contribution (EPC) rate was 29.75% for Regular members and 44.00% for Police/Fire. For the fiscal year ended June 30, 2024, the statutory EPC rate was 33.50% for Regular members and 50.00% for Police/Fire.

The District's contributions were $1,870,582 for the year ended June 30, 2024.

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, 2023:

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return
U.S. Stocks	42%	5.50%
International Stocks	18%	5.50%
U.S. Bonds	28%	0.75%
Private Markets	12%	6.65%

As of June 30, 2023, PERS' long-term inflation assumption was 2.50%.

Net Pension Liability

At June 30, 2024, the District reported a liability for its proportionate share of the net pension liability of $24,511,387. The net pension liability was measured as of June 30, 2023, 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 proportion of the net pension liability was based on the District's share of contributions in the PERS pension plan relative to the total contributions of all participating PERS employers. At June 30, 2023, the District's proportion was 0.13429%, which was an increase of .00357% from its proportion measured at June 30, 2022.

Pension Liability Discount Rate Sensitivity

The following presents the net pension liability of the District as of June 30, 2024, calculated using the discount rate of 7.25%, 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 (6.25%) or 1-percentage-point higher (8.25%) than the current discount rate:

	1% Decrease in Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)
District's proportionate share of the Net Pension Liability	$38,143,317	$24,511,387	$13,261,042

Pension Plan Fiduciary Net Position

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

Actuarial Assumptions

The District's net pension liability was measured as of June 30, 2023, 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	2.50%
Payroll Growth	3.50%
Investment Rate of Return/Discount Rate	7.25%
Productivity Pay Increase	0.50%
Projected Salary Increases	Regular: 4.20% to 9.10%, depending on service
	Police/Fire: 4.60% to 14.50%, depending on service
	Rates include inflation and productivity increases
Consumer Price Index	2.50%
Other Assumptions	Same as those used in the June 30, 2023 funding actuarial valuation

Mortality rates for healthy regular members and contingent beneficiaries were based on Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table with rates increased by 30% for males and 15% for females. For ages before age 40, mortality rates are based on Pub-2010 General Employee Amount-Weighted Above-Median Mortality Tables. For ages 40 through 50, the rates were smoothed between the above tables. Mortality rates for healthy police/fire members were based on Pub-2010 Safety Healthy Retiree Amount-Weighted Above-Median Mortality Table with rates increased by 30% for males and 5% for females. For ages before age 35, mortality rates are based on Pub-2010 Safety Employee Amount-Weighted Above-Median Mortality Table. For ages 35 through 45, the rates were smoothed between the above tables.

Mortality rates for disabled regular members were based on Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table with rates increased by 20% for males and 15% for females. Mortality rates for disabled police/fire members were based on Pub-2010 Safety Disabled Retiree Amount-Weighted Mortality Table with rates increased by 30% for males and 10% for females.

Mortality rates for current and contingent beneficiaries were based on Pub-2010 Contingent Survivor Amount-Weighted Above-Median Mortality Table with rates increased by 15% for males and 30% for females. For ages before age 35, mortality rates are based on Pub-2010 General Employee Amount-Weighted Above-Median Mortality Table. For ages 35 through 45, the rates were smoothed between the above tables.

Mortality rates for pre-retirement regular members were based on Pub-2010 General Employee Amount-Weighted Above-Median Mortality Table. Morality rates for pre-retirement police/fire members were based on Pub-2010 Safety Employee Amount-Weighted Above-Median Mortality Table.

The mortality tables were projected generationally with the two-dimensional mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2023 valuation were based on the results of the experience study for the period of July1, 2016 through June 30, 2020.

The discount rate used to measure the total pension liability was 7.25% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that plan contributions will be made in amounts consistent with statutory provisions and recognizing the plan's current funding policy and cost-sharing mechanism between employers and members. For this purpose, all contributions that are intended to fund benefits for all plan members and their beneficiaries are included, except the projected contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. 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, 2023.

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

For the year ended June 30, 2024, the District recognized pension expense of $1,670,489. At June 30, 2024, 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	$ 3,194,910	$ -
Changes in assumptions or other inputs	2,297,183	-
Net difference between projected and actual earnings on pension plan investments	-	229,428
Changes in the District's proportionate share	1,192,143	-
District contributions subsequent to the measurement date	1,870,582	-
Total	$ 8,554,818	$ 229,428

The $1,870,582 reported as deferred outflows of resources related to pensions, resulting from District contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending June 30, 2025.

The average of the expected remaining service lives of all employees that are provided with pensions through PERS (active and inactive employees) is 5.63 years.

Other estimated amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions, excluding contributions subsequent to the measurement date, will be recognized in pension expense as follows:

Year ending June 30:	
2025	$1,214,593
2026	1,096,188
2027	3,502,740
2028	472,617
2029	168,670

Additional Information

Additional information supporting the Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer is located in the PERS Annual Comprehensive Financial Report (ACFR) available on the PERS website at www.nvpers.org under Quick Links – Publications.

NOTE 6 – Fund Balances – Governmental Funds:

Under GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions,* fund balances are composed of the following as of June 30, 2024:

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
Nonspendable				
Inventory	$ 2,424	$ -	$ -	$ 2,424
Prepaids	318,006	-	-	318,006
Restricted:				
Debt Service	-	77	-	77
Committed:				
Capital Projects	-	-	870,564	870,564
Assigned:				
Budget shortfall	3,811,144	-	-	3,811,144
Unassigned	5,387,333	-	-	5,387,333
Total fund balances	$ 9,518,907	$ 77	$ 870,564	$ 10,389,548

NOTE 7 – Long-Term Liabilities:

Changes in long-term obligations for the year ended June 30, 2024 are as follows:

	Date of Issue	Original Issue	Interest Rate	Principal Outstanding July 1, 2023	Additions	Reductions	Principal Outstanding June 30, 2024	Due Within One Year
Governmental Activities:								
Long-Term Debt:								
Medium-Term Financing Series, 2020	8/4/20	$3,495,000	1.09%	$ 1,744,000	$ -	$ 641,000	$ 1,103,000	$ 152,000
Other Long-Term Liabilities:								
Compensated Absences	N/A	N/A	N/A	1,578,900	811,966	698,628	1,692,238	630,850
Property Tax Refunds	N/A	N/A	N/A	1,849,574	-	1,849,574	-	-
Lease	N/A	N/A	N/A	143,578	-	40,878	102,700	42,915
Total Governmental Activities				5,316,052	811,966	3,230,080	2,897,938	825,765
Business-Type Activities:								
Other Long-Term Liabilities:								
Compensated Absences	N/A	N/A	N/A	110,971	113,573	108,927	115,617	82,550
Total Long-Term Liabilities				$ 5,427,023	$ 925,539	$3,339,007	$ 3,013,555	$908,315

During the year ended June 30, 2024, interest expense has been recorded in the financial statements in the Debt Service Fund in relation to the Medium-Term Financing Series, 2020 bonds and the General Fund in relation to the lease liability.

Debt service requirements on long-term liabilities, excluding compensated absences, at June 30, 2024 are as follows:

	Direct Placement Medium-Term Financing	
Year Ending June 30:	Principal	Interest
2025	$ 152,000	$ 11,609
2026	154,000	9,946
2027	156,000	8,262
2028	157,000	6,562
2029	159,000	4,845
2030-2031	325,000	4,001
	$1,103,000	$ 45,225

	Leases	
Year Ending June 30:	Principal	Interest
2025	$ 42,915	$ 3,129
2026	44,557	1,487
2027	15,228	120
	$ 102,700	$ 4,736

Bonds and Leases:

On August 4, 2020, the District issued $3,495,000 in Medium-Term Financing, Series 2020. These bonds were sold to finance the purchase of fire equipment for $1,500,315 and to refund $1,486,000 in maturities of the 2012 General Obligation (Limited Tax) Refunding Bonds, Series 2012 and $430,000 in maturities of the Medium-Term Financing, Series 2013. The balance of the funds were issued for closing and related costs in the amount of $78,685.

The District has outstanding Medium-Term Financing, Series 2020, from direct placements related to Governmental Activities totaling $1,103,000. Upon the occurrence and during the continuation of an event of default for nonpayment of principal or interest, then and in every case the registered owners of the Bonds, including, without limitation, a trustee or trustees may proceed against the District and its agents, officers and employees to protect and to enforce the rights of the registered owners of the Bonds by mandamus or by other suit, in any court of competent jurisdiction.

The District entered into a lease agreement for a building. The District exercised the option to extend the lease term through October 2026. The District is required to make monthly principal and interest payments of $3,837. The lease liability was valued using a discount rate of 3.76% based on the District's incremental borrowing rate.

The lease agreement calls for payments that are partially or completely variable and therefore were not included in lease assets or lease liabilities. These variable payments are a result of the underlying lease measured not on a fixed rate, but rather variable due to the underlying payments derived from the assessed value for property taxes. A total of $9,296 was recognized as expenses from these variable payments for the year ended June 30, 2024.

The Medium-Term Financing will be liquidated from the Debt Service Fund, after transfers from the general income of the General Fund. Leases will be liquidated from the General Fund. Compensated absences will be liquidated from the General Fund for Governmental Activities and from the Ambulance Fund for Business-Type Activities.

Property Tax Refunds Payable:

On October 13, 2020, the Washoe County Board of Commissioners approved a final settlement to pay tax refunds to Incline Village/Crystal Bay residential property owners in an estimated amount of $56 million. The District's share was estimated to be $8,700,000. This settlement ended a lengthy court battle over the Washoe County Assessor's valuation of property in the District for the 2003-2004, 2004-2005, and 2005-2006 tax years. All owners from the affected years were required to file a claim with Washoe County to receive a refund. The repayment began July 1, 2021, with the first refunds going to owners who still own their properties. Once this group is paid, the remaining parcels were paid in the order their claims were received. All taxpayer claims were required to be refunded by June 21, 2024. During the year ended June 30, 2024, the District paid $95,919 in tax refunds. The remaining outstanding original estimated balance was $1,798,655. As all taxpayer claims were required to be refunded by June 21, 2024, the District has recognized the reduction of the estimated liability to $0 as a gain on change in property tax refunds in the Statement of Activities.

NOTE 8 – Interfund Transfers:

Interfund transfers for the year ended June 30, 2024, consisted of the following:

	Transfers To:			
	Debt Service Fund	Capital Projects Fund	Ambulance Fund	Total
Transfers From:				
General Fund	$ 658,232	$150,000	$ 1,650,000	$ 2,458,232

Transfers are used to move revenues from the General Fund to the funds that will expend them in accordance with the budget and to use unrestricted revenues collected or resources in the General Fund and Capital Projects Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. The transfer to the Debt Service Fund was to fund required debt payments. The transfer to the Ambulance Fund was to stabilize operations.

In addition, the Ambulance Fund transferred $21,873 of capital assets to governmental activities to better align with the use of those assets.

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; illness and injuries to employees; and natural disasters.

The District carries commercial insurance for risks of loss related to property and casualty liabilities. The District also carries health insurance for all eligible employees.

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The District has joined together with similar public agencies, under the Nevada Interlocal Cooperation Act, to create an intergovernmental self-insured association for workers' compensation insurance, the Public Agency Compensation Trust (PACT). The District pays premiums based on payroll costs to the PACT. The PACT is considered a self-sustaining pool that will provide coverage based on established statutory limits.

NOTE 10 – Other Post-Employment Benefits Plan (OPEB):

Plan Descriptions

The District contributes to a single employer defined benefit healthcare plan, the North Lake Tahoe Fire Protection District Health Insurance Benefit Plan (the District's Plan). The District's Plan is administered through the North Lake Tahoe Fire Protection District OPEB Trust. The measurement focus of this plan is its net OPEB liability. Complete financial statements of the Trust are included in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position.

The District also provides OPEB for certain former employees through the Nevada Public Employees' Benefits Plan (PEBP), a single employer defined benefit plan. PEBP is administered by the State of Nevada, and as such, no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB No. 75. The measurement focus of PEBP is the total OPEB liability associated with participating former District employees. No separate financial reports are issued.

Benefit Provisions and Contributions (District Plan)

Benefit provisions for the District's Plan are established pursuant to NRS 287.010 and can be amended by the District's Board of Directors. Benefit provisions for PEBP are established pursuant to NRS 287.023 and subject to amendment through legislation by the State of Nevada, each biennium. The District's Plan provides medical, dental, vision, and life insurance benefits to eligible retired District employees and beneficiaries.

Employees must have at least fifteen years of full-time service to be eligible for benefits and must be at least 50 years of age. Employees who separate from the District with at least fifteen years of service may activate this benefit upon attainment of age 50. The District pays the entire cost of retiree health benefits for retirees, their spouses and their dependent children for employees retired prior to March 1, 2012. The coverage is provided until the employee and/or their spouse attain Medicare eligibility, and/or the children are no longer dependents as defined by the health insurance plan. For employees hired or retired on or after March 1, 2012, the District will pay the entire cost of retiree health benefits (premiums) for retirees. In addition, through June 30, 2024, the District pays 85% of the spouse or dependent children coverage premium until Medicare eligible age or status of the spouse or dependent child ends, after which no further benefits are payable by the District. As of July 1, 2024, the District will pay 100% of the spouse or dependent coverage.

Under State law, retiree loss experience is pooled with active loss experience for the purpose of setting rates. The difference between the true premium cost and the blended premium is an implicit rate subsidy that creates an OPEB cost for the District. The District's contribution requirements for retirees relate to the implicit subsidy that results from using the blended rates, as well as the percentage of pay-as-you-go premiums, and is determined in actuarial studies contracted by the District.

Contribution requirements of the District's Plan may be amended through negotiations between the District and the employee association. The contribution to the OPEB Trust is determined by the collective bargaining agreement and requires a minimum amount of $25,200 to be contributed. The District may contribute additional amounts based on projected pay-as-you-go financing requirements and actuarial studies contracted for by the District. For the year ended June 30, 2024, the District contributed $1,213,283 to the OPEB trust and paid an estimated $140,930 in an implicit subsidy to benefit the District's Plan.

Benefit Provisions and Contributions (PEBP)

PEBP provides medical, prescription, vision, life and accident insurance, and dental for retirees. Retirees can choose between a self-funded preferred provider organization (PPO) and a health maintenance organization (HMO) plan. Retirees are responsible for payment of unsubsidized premiums. The District is required to provide a subsidy for their retirees who have elected to join PEBP. Contribution requirements for plan members and the participating employers are assessed by the PEBP Board annually. The contributions required for PEBP subsidies depends on the date of retirement and years of PERS service former employees earned in total and while working for the District. The subsidy ranges from a minimum of $7 to a maximum of $286 per month. Subsidies for retiree premiums participating in PEBP are paid directly to the State when due. The District's obligation for subsidies is limited to payment of the statutorily required contribution. The statutes were revised with an effective date of November 30, 2008, to create new participation limitation so that only active members of PEBP can elect coverage after retirement. Based on the statute revision, former District employees and retirees must have retired and joined PEBP by September 1, 2008 to elect PEBP membership. Consequently, no employees retiring from the District on or after September 1, 2008 will be eligible to participate in the PEBP plan as a retiree at the District's expense.

Employees Covered by Benefit Terms

At June 30, 2023, the following employees were covered by the benefit terms:

	District Plan	PEBP	Total
Inactive employees or beneficiaries currently receiving benefit payments	24	4	28
Inactive employees entitled to but not yet receiving benefit payments	-	-	-
Active employees	77	-	77
	101	4	105

OPEB Liability

The District's Plan net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2023. PEBP's total liability was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2023.

Actuarial Assumptions

The total OPEB liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

	District Plan	PEBP
Salary increases	Ranges from 14.86% with less than one year of service to 4.66% with 20 or more years of service	N/A
Investment rate of return	6.25%, net of OPEB plan investment expense	N/A
Healthcare cost trend	17.28% initial, 15.25% year two, 5.75% year three and 5.25% year four; 4.00% ultimate in 2096. Based on the Getzen Model. Dental and vision cost assumed at 3.0% per year	0.00% initial; 7.50% year two and 4.00% ultimate in 2096. Based on the Getzen Model. Dental and vision cost assumed at 3.0% per year
Inflation	3.00%	3.00%
Actuarial cost method	Entry Age Normal	Entry Age Normal

Mortality rates were based on the Pub-2010 Headcount-Weighted Safety Mortality Tables adjusted to reflect Mortality Improvement Scale MP-2021 and projected forward on a generational basis.

The actuarial assumptions used in the July 1, 2023 valuation were based on expectations of the District regarding its workforce, demographic pattern for similar safety groups, and actuarial judgment. The District and the actuary monitor assumptions and experience with every valuation and make adjustments to assumptions as needed as experience emerges.

The long-term expected rate of return of 6.25%, net of investment expenses, was based on the investment policy of the State of Nevada's Retiree Benefits Investment Fund (RBIF), where the District's Plan invests its assets to fund the OPEB liability. The rate is derived from RBIF's investment policy (shown in the table below), and includes a 3.00% long-term inflation assumption.

Asset Class	Asset Allocation
International Stocks	17.50%
U.S. Bonds	28.00%
U.S. Stocks	42.50%
Short-term Investments	12.00%

The discount rate used to measure the OPEB liability for the District's Plan was 6.25%. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal or exceeding the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liabilities. The discount rate used to measure the OPEB liability for PEBP was 3.65%

The following significant changes in assumptions were noted in the June 30, 2023 measurement period from the prior year:

- A change in the investment rate of return for the District's plan from 7.00% to 6.25%.
- A change in the discount rate for PEBP from 3.54% to 3.65%.
- The healthcare cost trend rate was changed to a range of 17.28% - 4.00% from a range of 6.50% - 2.20% for the District's plan and 7.50% - 0.00% from a range of 6.50% - 0.00% for PEBP.

Changes in OPEB Liabilities

	District Plan Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance as of June 30, 2023 *Measurement Date, June 30, 2022*	$ 6,629,935	$ 1,682,181	$ 4,947,754
Changes for the year:			
Service cost	311,842	-	311,842
Interest on the total OPEB liability	457,668	-	457,668
Changes of benefit terms	344,042	-	344,042
Differences between actual and expected experience with regard to economic or demographic factors	1,226,063	-	1,226,063
Changes of assumptions	232,850	-	232,850
Benefit payments – implicit subsidy	(289,067)	(289,067)	-
Benefit payments	(518,289)	(518,289)	-
Employer contributions	-	826,630	(826,630)
Employer contributions – implicit subsidy	-	289,067	(289,067)
Net investment income	-	242,979	(242,979)
Administrative expense	-	(14,750)	14,750
Net changes	1,765,109	536,570	1,228,539
Balance as of June 30, 2024 *Measurement Date, June 30, 2023*	$ 8,395,044	$ 2,218,751	$ 6,176,293

	PEBP Increase (Decrease) Total OPEB Liability
Balance as of June 30, 2023	
Measurement Date, June 30, 2022	$ 69,557
Changes for the year:	
Service cost	-
Interest on the total OPEB liability	2,408
Changes of benefit terms	-
Differences between actual and expected experience with regard to economic or demographic factors	697
Changes of assumptions	(4,222)
Benefit payments	(3,071)
Net changes	(4,188)
Balance as of June 30, 2024	
Measurement Date, June 30, 2023	$ 65,369

The OPEB liability of both plans as of June 30, 2024 is $6,241,662.

Sensitivity Analysis

The following presents the OPEB liabilities of the plans, as well as what each plan's OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease	Discount Rate	1% Increase
District's Plan - Net OPEB Liability	$ 6,854,306	$ 6,176,293	$ 5,561,917
PEBP - Total OPEB Liability	74,058	65,369	58,141
OPEB Liability	$ 6,928,364	$ 6,241,662	$ 5,620,058

The following presents the OPEB liabilities of the plans, as well as what each plan's OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
District's Plan - Net OPEB Liability	$ 5,412,740	$ 6,176,293	$ 7,062,033
PEBP - Total OPEB Liability	58,424	65,369	73,524
OPEB Liability	$ 5,471,164	$ 6,241,662	$ 7,135,557

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:

For the year ended June 30, 2024, the District recognized OPEB expense (expense offset) of $(502,409):

District Plan	$ (498,221)
PEBP	(4,188)
	$ (502,409)

At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	District Plan		PEBP	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on OPEB plan investments	$ -	$ -	$ -	$ -
Differences between expected and actual experience	1,098,746	(284,117)	-	-
Change of assumptions	254,820	(403,927)	-	-
Net difference between projected and actual earnings	-	(157)	-	-
Contributions made subsequent to the measurement date	1,354,213	-	3,071	-
Total	$ 2,707,779	$ (688,201)	$ 3,071	$ -

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB, excluding contributions subsequent to the measurement date, will be recognized in OPEB expense as follows:

Year Ending June 30:	District Plan	PEBP	Total
2025	$ (66,939)	$ -	$ (66,939)
2026	(69,186)	-	(69,186)
2027	63,991	-	63,991
2028	38,254	-	38,254
2029	137,220	-	137,220
Thereafter	562,025	-	562,025

NOTE 11 – Tax Abatements:

Consolidated sales taxes collected in Nevada are partially allocated to local governments in accordance with the distribution formulas established by Nevada Revised Statutes (NRS). The State of Nevada has entered into various tax abatement agreements which have reduced fiscal year 2024 intergovernmental revenue of the District by $18,488.

<u>State of Nevada Tax Abatements</u>

Aviation Tax Abatement (NRS 360.753)	$ 1,404
Data Centers Abatement (NRS 360.754)	7,770
Local Sales and Use Tax Abatement*	313
Renewable Energy Abatement (NRS 701A.370)	9,000
New or Expanded Business Abatement (NRS 360.750)	1

*Local Sales and Use Tax is a component of the State's Standard Tax Abatement (NRS 374.357).

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)

	2024				2023
	Budget Amounts			Variance to	
	Original	Final	Actual	Final Budget	Actual
REVENUES					
Taxes:					
Ad valorem					
Real and personal property	$ 10,954,576	$ 10,954,576	$ 11,735,560	$ 780,984	$ 11,020,868
Intergovernmental:					
State shared revenues					
Consolidated tax revenue	4,585,501	4,585,501	4,633,314	47,813	4,521,786
AB 104, fair share	848,315	848,315	763,433	(84,882)	837,088
Federal and state grants	-	-	2,678,867	2,678,867	459,248
	5,433,816	5,433,816	8,075,614	2,641,798	5,818,122
Miscellaneous:					
Interest	30,000	30,000	387,655	357,655	239,394
Fire suppression reimbursement and other	8,258,032	8,258,032	4,499,231	(3,758,801)	5,501,393
	8,288,032	8,288,032	4,886,886	(3,401,146)	5,740,787
Total Revenues	24,676,424	24,676,424	24,698,060	21,636	22,579,777
EXPENDITURES					
Public safety:					
Fire:					
Salaries and wages	12,389,867	12,389,867	11,051,591	1,338,276	10,274,770
Employee benefits:					
Retirement	3,932,672	3,932,672	3,308,356	624,316	2,749,303
Group medical insurance	1,549,135	1,549,135	1,463,310	85,825	1,432,210
Retiree medical	797,052	797,052	1,169,074	(372,022)	797,115
Industrial insurance	1,107,205	1,107,205	1,160,223	(53,018)	1,164,785
Clothing allowance	86,500	86,500	52,000	34,500	80,345
Medicare portion of Social Security	172,657	172,657	158,583	14,074	147,243
Unemployment insurance	117,000	117,000	86,745	30,255	26,237
Social Security	169,923	169,923	106,218	63,705	113,541
	7,932,144	7,932,144	7,504,509	427,635	6,510,779
Services and supplies:					
Building repairs and maintenance	217,381	217,381	115,498	101,883	163,023
Casualty loss	-	-	2,268	(2,268)	-
Computer hardware and software	170,514	170,514	146,075	24,439	62,719
CPR/FACTS	24,000	24,000	24,038	(38)	20,101
Dispatch	231,000	231,000	214,420	16,580	170,408
District insurance	90,844	90,844	91,365	(521)	76,939
Employee recognition	16,760	16,760	11,392	5,368	7,958

See notes to required supplementary information.

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)

	2024				2023
	Budget Amounts			Variance to	
	Original	Final	Actual	Final Budget	Actual
Services and supplies (continued):					
Equipment supplies	176,717	176,717	164,904	11,813	71,387
FEMA grant expenses	-	-	1,445,732	(1,445,732)	-
Membership and meetings	12,578	12,578	9,474	3,104	8,947
Office supplies	10,125	10,125	6,092	4,033	9,218
Operational expense	79,391	79,391	19,597	59,794	26,777
Physical fitness	57,615	57,615	40,461	17,154	37,836
Postage	2,749	2,749	5,048	(2,299)	5,323
Professional services	493,705	493,705	380,202	113,503	288,782
Public education supplies	10,931	10,931	15,466	(4,535)	10,070
Publications and subscriptions	1,900	1,900	1,247	653	1,670
Radio and alarm	153,527	153,527	111,190	42,337	98,440
Reimbursable expenditures	345,104	345,104	186,426	158,678	172,501
Special clothing and gear	129,953	129,953	380,455	(250,502)	74,365
Station supplies	15,175	15,175	8,531	6,644	10,654
Telephone	60,840	60,840	54,671	6,169	57,744
Training	137,467	137,467	50,669	86,798	49,338
Utilities	162,045	162,045	166,779	(4,734)	158,835
Vehicle repairs and maintenance	393,690	393,690	315,947	77,743	358,963
Real property tax refunds	3,100,000	3,100,000	-	3,100,000	-
	6,094,011	6,094,011	3,967,947	2,126,064	1,941,998
Capital Outlay	-	-	-	-	127,653
Debt service					
Principal	-	-	136,797	(136,797)	2,485,335
Interest	-	-	4,718	(4,718)	1,404
	-	-	141,515	(141,515)	2,486,739
Total Expenditures	26,416,022	26,416,022	22,665,562	3,750,460	21,341,939
Excess (Deficiency) of Revenues over Expenditures	(1,739,598)	(1,739,598)	2,032,498	3,772,096	1,237,838
OTHER FINANCING SOURCES (USES)					
Contingency	(200,000)	(200,000)	-	200,000	-
Leases	-	-	-	-	127,653
Transfers out	(3,058,194)	(3,058,194)	(2,458,232)	599,962	(2,575,231)
Total Other Financing Sources (Uses)	(3,258,194)	(3,258,194)	(2,458,232)	799,962	(2,447,578)
Net Change in Fund Balance	(4,997,792)	(4,997,792)	(425,734)	4,572,058	(1,209,740)
FUND BALANCE, BEGINNING OF YEAR	8,348,896	8,348,896	9,944,641	1,595,745	11,154,381
FUND BALANCE, END OF YEAR	$ 3,351,104	$ 3,351,104	$ 9,518,907	$ 6,167,803	$ 9,944,641

See notes to required supplementary information.

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S OPEB LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS*

North Lake Tahoe Fire Protection District Health Benefits Plan (District Plan):

	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability							
Service cost	$ 311,842	$ 271,301	$ 240,148	$ 331,321	$ 309,646	$ 268,192	$ 250,647
Interest	457,668	459,210	461,440	512,090	503,706	559,832	548,689
Changes of benefit terms	344,042	-	-	-	-	(7,557)	-
Differences between actual and expected experience with economic or demographic factors	1,226,063	(13,306)	-	(165,279)	-	(659,324)	-
Changes of assumptions	232,850	58,342	-	(613,104)	-	(313,711)	-
Benefit payments - implicit subsidy	(289,067)	(305,916)	(215,814)	(214,700)	(213,600)	(224,572)	(138,208)
Benefit payments	(518,289)	(548,500)	(493,128)	(482,534)	(477,016)	(466,166)	(491,500)
Net change in total OPEB liability	1,765,109	(78,869)	(7,354)	(632,206)	122,736	(843,306)	169,628
Total OPEB liability - beginning	6,629,935	6,708,804	6,716,158	7,348,364	7,225,628	8,068,934	7,899,306
Total OPEB liability - ending (a)	$ 8,395,044	$ 6,629,935	$ 6,708,804	$ 6,716,158	$ 7,348,364	$ 7,225,628	$ 8,068,934
Plan fiduciary net position							
Employer contributions	$ 826,630	$ 783,164	$ 741,942	$ 356,815	$ 676,891	$ 691,366	$ 716,900
Employer contributions - implicit subsidy	289,067	305,916	215,814	214,700	213,600	224,572	138,208
Net investment income	242,979	(239,345)	440,617	88,804	81,497	48,306	82,937
Benefit payments - implicit subsidy	(289,067)	(305,916)	(215,814)	(214,700)	(213,600)	(224,572)	(138,208)
Benefit payments	(518,289)	(548,500)	(493,128)	(482,534)	(477,016)	(466,166)	(491,500)
Administrative expense	(14,750)	(10,500)	(27,739)	(43,522)	(133)	-	-
Net change in plan fiduciary net position	536,570	(15,181)	661,692	(80,437)	281,239	273,506	308,337
Plan fiduciary net position - beginning	1,682,181	1,697,362	1,035,670	1,116,107	834,868	561,362	253,025
Plan fiduciary net position - ending (b)	$ 2,218,751	$ 1,682,181	$ 1,697,362	$ 1,035,670	$ 1,116,107	$ 834,868	$ 561,362
District Plan net OPEB liability -ending (a) - (b)	$ 6,176,293	$ 4,947,754	$ 5,011,442	$ 5,680,488	$ 6,232,257	$ 6,390,760	$ 7,507,572
Plan fiduciary net position as a percentage of the total OPEB liability	26.43%	25.37%	25.30%	15.42%	15.19%	11.55%	6.96%
Covered-employee payroll	$ 9,256,006	$ 9,279,591	$ 8,512,983	$ 6,470,119	$ 6,626,246	$ 6,530,390	$ 6,402,732
District's Plan net OPEB liability as a percentage of covered-employee payroll	66.73%	53.32%	58.87%	87.80%	94.05%	97.86%	117.26%

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S OPEB LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS*
(2 of 2)

Nevada Public Employees' Benefits Plan (PEBP):

	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability							
Interest	$ 2,408	$ 1,747	$ 1,824	$ 2,239	$ 2,490	$ 8,906	$ 8,881
Differences between actual and expected experience with economic or demographic factors	697	2,189	-	15,787	-	(78,776)	-
Changes of assumptions	(4,222)	(13,710)	569	5,906	3,075	13,589	-
Benefit payments	(3,071)	(3,073)	(5,049)	(5,622)	(6,265)	(6,875)	(6,178)
Net change in total OPEB liability	(4,188)	(12,847)	(2,656)	18,310	(700)	(63,156)	2,703
Total OPEB liability - beginning	69,557	82,404	85,060	66,750	67,450	130,606	127,903
Total OPEB liability - ending	$ 65,369	$ 69,557	$ 82,404	$ 85,060	$ 66,750	$ 67,450	$ 130,606

Notes to Schedule:
Amounts are recorded as of the fiscal year of the measurement date.
No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75 for PEBP.
PEBP is a closed plan and has no covered-employee payroll.

*The District adopted Statement No. GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,* for the year ended June 30, 2018. Information is not available prior to that time.

The following table presents significant assumption changes:

		2023	2022	2021	2020	2019	2018	2017
Inflation		3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	2.75%
Mortality rates (tables)		PUB-2010	PUB-2010	RP-2014	RP-2014	RP-2014	RP-2014	RP-2014
Mortality improvement scale		MP-2021	MP-2021	MP-2020	MP-2020	MP-2018	MP-2018	MP-2017
District Plan:	Salary increases	4.66% to 14.86%	4.66% to 14.86%	4.60% to 14.30%	4.60% to 14.30%	4.60% to 14.30%	4.60% to 14.30%	4.60% to 14.30%
	Investment rate of return	6.25%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
	Healthcare cost trend	17.28% to 4.00%	6.50% to 2.20%	6.25% to 4.25%	5.50% to 4.25%	5.50 to 4.50%	5.50 to 4.50%	8.00% to 4.50%
PEBP:	Discount rate	3.65%	3.54%	2.16%	2.21%	3.50%	3.87%	7.00%
	Healthcare cost trend	7.50% to 0.00%	6.50% to 0.00%	5.25% to 4.00%	5.25% to 4.00%	5.50 to 4.50%	5.50 to 4.50%	8.00% to 4.50%

District Plan: Changes of benefits provided reflect the change from 65% retiree premium subsidy being covered by the District to 100% retiree and 85% of spousal and dependent premiums being covered by the District during the year ended June 30, 2019 (2018). Effective July 1, 2024, the benefit will change to 100% of spousal premiums being covered by the District, which was included in the year ended June 30, 2024 (2023) valuation.

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S CONTRIBUTIONS - OPEB
LAST 10 FISCAL YEARS*

North Lake Tahoe Fire Protection District Health Benefits Plan (District Plan):

	2024	2023	2022	2021	2020	2019	2018
Actuarially determined contribution	$ 817,798	$ 746,231	$ 727,501	$ 833,697	$ 856,751	$ 826,237	$ 882,177
Contributions in relation to the actuarially determined contribution	390,620	1,037,750	1,003,084	945,306	570,225	862,351	915,938
Contribution deficiency (excess)	$ 427,178	$ (291,519)	$ (275,583)	$ (111,609)	$ 286,526	$ (36,114)	$ (33,761)
Covered-employee payroll	$ 10,273,636	$ 9,256,006	$ 9,279,591	$ 8,512,983	$ 6,470,119	$ 6,626,246	$ 6,530,390
Contributions as a percentage of covered-employee payroll	3.80%	11.21%	10.81%	11.10%	8.81%	13.01%	14.03%

Notes to Schedule:

Methods and assumptions used to determine contribution amount:

Valuation Date	July 1, 2023	July 1, 2022	July 1, 2020	July 1, 2018	July 1, 2017
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization method	Level Dollar, Open	Level Dollar, Open	Level Dollar, Open	Level Dollar, Open	Level Dollar, Open
Remaining amortization period	30 years	30 years	30 years	30 years	30 years
Asset valuation method	Market Value	Market Value	Market Value	Market Value	Market Value
Inflation	3.00%	3.00%	3.00%	3.00%	2.75%
Healthcare cost trend	17.28% to 4.00%	6.50% to 2.20%	5.50% to 4.25%	5.50 to 4.50%	8.00% to 4.50%
Salary increases	4.66% to 14.86%	4.66% to 14.86%	4.60% to 14.30%	4.60% to 14.30%	4.60% to 14.30%
Investment rate of return	6.25%	7.00%	7.00%	7.00%	7.00%
Mortality rates (tables)	PUB-2010	PUB-2010	RP-2014	RP-2014	RP-2014
Mortality improvement scale	MP-2021	MP-2021	MP-2020	MP-2018	MP-2017

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75 for PEBP.

*The District adopted Statement No. GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,* for the year ended June 30, 2018. Information is not available prior to that time.

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEVADA (PERS)
LAST 10 FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's portion of net the pension liability	0.13429%	0.13072%	0.13003%	0.12068%	0.11925%	0.11872%	0.11717%	0.10941%	0.11230%	0.10800%
District's proportionate share of the net pension liability	$ 24,511,387	$ 23,601,621	$ 11,857,818	$ 16,808,621	$ 16,260,674	$ 16,190,817	$ 15,583,104	$ 14,722,931	$ 12,868,725	$ 11,255,393
District's covered payroll	$ 8,447,939	$ 7,847,549	$ 7,438,890	$ 6,805,104	$ 6,367,082	$ 6,019,370	$ 5,772,945	$ 4,827,941	$ 4,740,506	$ 4,405,244
District's proportional share of the net pension liability as a percentage of its covered payroll	290.15%	300.75%	159.40%	247.00%	255.39%	268.98%	269.93%	304.95%	271.46%	255.50%
Plan fiduciary net position as a percentage of the total pension liability	76.16%	75.12%	86.51%	77.04%	76.46%	75.24%	74.42%	72.23%	75.13%	76.31%

Notes to Schedule:

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Inflation rate	2.50%	2.50%	2.50%	2.75%	2.75%	2.75%	2.75%	3.50%	3.50%	3.50%
Payroll growth	3.50%	3.50%	3.50%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Investment rate of return	7.25%	7.25%	7.25%	7.50%	7.50%	7.50%	7.50%	8.00%	8.00%	8.00%
Productivity pay increases	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	0.75%	0.75%
Projected salary increases:										
Regular*	4.20%-9.10%	4.20%-9.10%	4.20%-9.10%	4.25%-9.15%	4.25%-9.15%	4.25%-9.15%	4.25%-9.15%	4.60%-9.75%	4.60%-9.75%	4.60%-9.75%
Police/Fire*	4.60%-14.50%	4.60%-14.50%	4.60%-14.50%	4.55%-13.90%	4.55%-13.90%	4.55%-13.90%	4.55%-13.90%	5.25%-14.50%	5.25%-14.50%	5.25%-14.50%
Consumer price index	2.50%	2.50%	2.50%	2.75%	2.75%	2.75%	2.75%	3.50%	3.50%	3.50%
Mortality rate	Pub-2010	Pub-2010	Pub-2010	RP-2014	RP-2014	RP-2014	RP-2014	RP-2000	RP-2000	RP-2000
Future mortality improvement	MP-2020	MP-2020	MP-2020	6 years	6 years	6 years	6 years	N/A	N/A	N/A

* Depending on service. Rates include inflation and productivity increases.

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS - PENSION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEVADA (PERS)
LAST 10 FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	$ 1,870,582	$ 1,558,149	$ 1,445,323	$ 1,365,917	$ 1,257,650	$ 1,148,166	$ 1,103,370	$ 1,051,687	$ 927,603	$ 866,686
Contributions in relation to the statutorily required contribution	$ 1,870,582	$ 1,558,149	$ 1,445,323	$ 1,365,917	$ 1,257,650	$ 1,148,166	$ 1,103,370	$ 1,051,687	$ 927,603	$ 866,686
Contribution (deficiency) excess	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	$ 8,924,491	$ 8,447,939	$ 7,847,549	$ 7,438,890	$ 6,805,104	$ 6,367,082	$ 6,019,370	$ 5,772,945	$ 4,827,941	$ 4,740,506
Contributions as a percentage of covered payroll	20.96%	18.44%	18.42%	18.36%	18.48%	18.03%	18.33%	18.22%	19.21%	18.28%

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024

NOTE 1 - Budgets and Budgetary Accounting:

Budget Policies

North Lake Tahoe 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 Directors files a tentative budget with the Nevada Department of Taxation for all funds other than the fiduciary fund, which is not required to be budgeted.
2. Public hearings on the tentative budget are held in the third week in May.
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 Nevada Tax Commission for approval. 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 before August 15 of the budget year.
4. Formal budgetary integration in the financial records of all funds is employed to enhance management control during the year.
5. Budgets for all funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
6. Budget amounts within funds, and between funds, may be transferred if amounts do not exceed the original budget. Such transfers are to be approved by the Board of Directors.
7. Budget augmentations in excess of original budgetary amounts may not be made without prior approval of the Board of Directors, following a scheduled and noticed public hearing, as necessary. Such augmentations become effective upon receipt of a resolution by the Nevada Department of Taxation.
8. In accordance with state statute, actual expenditures generally may not exceed budgetary appropriations of the public safety function of the General Fund. State statutes do not require that debt service payments (Debt Service Fund) be limited by the budget. Also, state statutes generally do not require that capital payments (Capital Projects Fund) be limited by the budget. The sum of operating and non-operating expenses in Proprietary Funds also may not exceed total appropriations if the excess creates a deficit in the equity balance of the fund.

NOTE 2 - Reclassifications:

Certain amounts totaling $62,719 presented within services and supplies - building repairs and maintenance during the year ended June 30, 2023 were reclassified to services and supplies - computer hardware and software to conform with current year presentation.

Supplementary Information

North Lake Tahoe Fire Protection District

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)

	2024				2023
	Budget Amounts			Variance to	
	Original	Final	Actual	Final Budget	Actual
EXPENDITURES					
Debt service:					
Principal	$ 641,000	$ 641,000	$ 641,000	$ -	$ 638,000
Interest	17,271	17,271	17,232	39	24,154
Total Expenditures	658,271	658,271	658,232	39	662,154
Excess (Deficiency) of Revenues over Expenditures	(658,271)	(658,271)	(658,232)	39	(662,154)
OTHER FINANCING SOURCES (USES)					
Transfers in	658,194	658,194	658,232	38	662,231
Net Change in Fund Balance	(77)	(77)	-	77	77
FUND BALANCE, BEGINNING OF YEAR	77	77	77	-	-
FUND BALANCE, END OF YEAR	$ -	$ -	$ 77	$ 77	$ 77

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)

	2024				2023
	Budget Amounts			Variance to	
	Original	Final	Actual	Final Budget	Actual
REVENUES					
Intergovernmental:					
Federal grants	$ -	$ -	$ 263,262	$ 263,262	$ -
Miscellaneous:					
Other	40,000	40,000	40,000	-	55,600
Total Revenues	40,000	40,000	303,262	263,262	55,600
EXPENDITURES					
Capital outlay	1,260,400	1,260,400	417,103	843,297	356,676
Excess (Deficiency) of Revenues over Expenditures	(1,220,400)	(1,220,400)	(113,841)	1,106,559	(301,076)
OTHER FINANCING SOURCES (USES)					
Transfers in	750,000	750,000	150,000	(600,000)	263,000
Sale of assets	25,000	25,000	26,550	1,550	87,560
Total Other Financing Sources (Uses)	775,000	775,000	176,550	(598,450)	350,560
Net Change in Fund Balance	(445,400)	(445,400)	62,709	508,109	49,484
FUND BALANCE, BEGINNING OF YEAR	523,931	523,931	807,855	283,924	758,371
FUND BALANCE, END OF YEAR	$ 78,531	$ 78,531	$ 870,564	$ 792,033	$ 807,855

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
ENTERPRISE FUND - AMBULANCE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)

	2024				2023
	Budget Amounts			Variance to	
	Original	Final	Actual	Final Budget	Actual
OPERATING REVENUES					
Charges for services:					
Public safety:					
Ambulance fees, net of bad debts	$ 511,362	$ 511,362	$ 724,326	$ 212,964	$ 763,504
GEMT cost settlement	75,484	75,484	81,296	5,812	163,327
Other	70,725	70,725	44,027	(26,698)	33,707
Total Operating Revenues	657,571	657,571	849,649	192,078	960,538
OPERATING EXPENSES					
Public safety:					
Ambulance:					
Salaries and wages	1,064,078	1,064,078	1,126,424	(62,346)	1,037,555
Employee benefits	589,202	589,202	946,183	(356,981)	789,400
Services and supplies	860,653	860,653	682,842	177,811	642,293
Depreciation	185,915	185,915	124,940	60,975	101,371
Total Operating Expenses	2,699,848	2,699,848	2,880,389	(180,541)	2,570,619
Operating Income (Loss)	(2,042,277)	(2,042,277)	(2,030,740)	11,537	(1,610,081)
NONOPERATING REVENUES (EXPENSES)					
Federal and state grants	-	-	139,679	139,679	-
Gain on disposal of assets	-	-	18,127	18,127	-
Interest revenue	855	855	8,495	7,640	1,751
Total Nonoperating Revenues	855	855	166,301	165,446	1,751
Income (Loss) before Transfers	(2,041,422)	(2,041,422)	(1,864,439)	176,983	(1,608,330)
TRANSFERS					
Transfers in	1,650,000	1,650,000	1,650,000	-	1,650,000
Changes in Net Position	$ (391,422)	$ (391,422)	(214,439)	$ 176,983	41,670
NET POSITION (DEFICIT), BEGINNING OF YEAR			(774,141)		(815,811)
NET POSITION (DEFICIT), END OF YEAR			$ (988,580)		$ (774,141)

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 Board of Directors
North Lake Tahoe Fire Protection District
Incline Village, Nevada

We have audited, 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of North Lake Tahoe Fire Protection District (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated March 27, 2025.

Report on 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) as a basis for designing 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 District'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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2024-001, 2024-002, and 2024-003 that we consider to be material weaknesses.

Report on 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 financial statements. 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.*

District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eide Bailly LLP

Reno, Nevada
March 27, 2025

Independent Auditor's Report on Compliance for the Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance

To the Board of Directors
North Lake Tahoe Fire Protection District
Incline Village, Nevada

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited North Lake Tahoe Fire Protection District's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2024. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2024-004 and 2024-005 to be a material weakness.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the internal control over compliance finding identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Eide Bailly LLP

Reno, Nevada
March 27, 2025

EideBailly
CPAs & BUSINESS ADVISORS

Auditor's Comments

To the Board of Directors
North Lake Tahoe Fire Protection District
Incline Village, Nevada

In connection with our audit of the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the North Lake Tahoe Fire Protection District (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, nothing came to our attention that caused us to believe that the District failed to comply with the specific requirements of Nevada Revised Statutes except as noted 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, insofar as they relate 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 to the financial statements.

Progress on Prior Year Statute Compliance

The District conformed to all significant statutory constraints on its financial administration in the prior year.

Prior Year Recommendations

See the Summary Schedule of Prior Year Audit Findings.

Current Year Recommendations

The current year recommendations are included in the Schedule of Findings and Questioned Costs.

Eide Bailly LLP

Reno, Nevada
March 27, 2025

What inspires you, inspires us. Let's talk. | eidebailly.com
5441 Kietzke Ln., Ste. 150 | Reno, NV 89511-2094 | T 775.689.9100 | F 775.689.9299 | EOE

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2024

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal Financial Assistance Listing	Agency or Pass-Through Identifying Number	Federal Expenditures	Pass-Through Payments
U.S. Department of Agriculture				
Direct Award				
Cooperative Forestry Assistance	10.664	USDA-FS-2020-LSR	$ 92,470	$ -
State & Private Forestry Hazardous Fuel Reduction Program	10.697	12-1106-0-1-302	54,672	-
Total U.S. Department of Agriculture			147,142	-
U.S. Department of the Interior				
Direct Award				
Southern Nevada Public Land Management	15.235	L23AC00022	375,082	-
Southern Nevada Public Land Management	15.235	L17AC00024	37,260	-
Southern Nevada Public Land Management	15.235	L23AC00025	239,295	-
Total U.S. Department of the Interior			651,637	-
U.S. Department of Homeland Security				
Direct Award				
Assistance to Firefighters Grant	97.044	EMW-2021-FG-06838	1,771,818	1,588,929
Assistance to Firefighters Grant	97.044	EMW-2022-FG-03975	76,856	-
Total U.S. Department of Homeland Security			1,848,674	1,588,929
TOTAL FEDERAL FINANCIAL ASSISTANCE			**$ 2,647,453**	**$ 1,588,929**

See notes to the schedule of expenditures of federal awards.

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2024

Note 1 – Basis of Presentation

This schedule of expenditures of federal awards (the Schedule) includes the federal award activity of North Lake Tahoe Fire Protection District (the District) under programs of the federal government for the year ended June 30, 2024. The information is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or fund balance, or cash flows of the District.

Note 2 – Summary of Significant Accounting Policies

Expenditures reported in the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Payments to subrecipients are reported on a cash basis of accounting.

Note 3 – Indirect Cost Rate

The District has elected not to use the 10% de minimis indirect cost rate

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2024

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	Yes
Significant deficiency(ies) not considered to be material weaknesses?	No
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major program:	
Material weakness(es) identified?	Yes
Significant deficiency(ies) not considered to be material weaknesses?	No
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516?	Yes

Identification of major programs:

Name of Federal Program or Cluster	Federal Financial Assistance Listing
Assistance to Firefighters Grant	97.044

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000
Auditee qualified as a low-risk auditee?	No

Section II – Financial Statement Findings:

2024-001: Timely and Accurate Reconciliations
Material Weakness in Internal Control

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Timely, organized, and accurate financial close reconciliations, particularly with respect to grant revenues (or other reimbursable revenue sources) and expenditures, are a key component of effective internal control.

Condition: Revenue reconciliations particularly with grant revenues/expenditures and other reimbursable revenues, such as mutual aid and fuels management were not-timely or accurate.

Cause: North Lake Tahoe Fire Protection District (the District) did not have adequate internal controls in place to ensure revenue and reimbursable expenditures were timely and accurately reconciled and recorded.

Effect: Prior to adjustment, the following errors were noted:

- Overstatement of grant revenue and expenditures in the General Fund of $326,086.
- Overstatement of grant matching expenditures and understatement of cash in the General Fund of $32,773.

Recommendation: We recommend the District enhance internal controls to ensure revenue and reimbursable expenditures are timely and accurately reconciled and recorded.

Views of Responsible Officials: North Lake Tahoe Fire Protection District agrees with this finding.

2024-002: Capital Assets
Material Weakness in Internal Control

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. A key component of internal control includes appropriate reconciliation and tracking of capital asset balances.

Condition: Purchased capital assets were not appropriately recorded. In addition, the lease capital asset was not recorded on a modified accrual basis of accounting in the governmental funds. Lastly, disposals for transferred assets were not appropriately recorded.

Cause: North Lake Tahoe Fire Protection District (the District) did not have adequate internal controls to ensure capital asset balances were recorded on the appropriate basis of accounting, tracked within the capital asset inventory, and disposed of appropriately.

Effect: Prior to adjustment, the following errors were noted:

- Self-contained breathing apparatus (SCBA) were not recognized as a capital asset which was an understatement at cost of $289,721 in governmental activities and $69,138 in the Ambulance Fund.
- Capital outlay for a leased asset was recorded as an asset account rather than an expenditure which resulted in an overstatement of assets and beginning fund balance of $127,653 in the General Fund.
- A transfer of a capital asset from the Ambulance Fund to Governmental Activities was not recorded appropriately, resulting in an understatement of loss on disposal in the Ambulance Fund of $21,873 and related interfund errors in the Capital Projects Fund.

Recommendation: We recommend the District enhance internal controls to ensure capital asset balances are recorded on the appropriate basis of accounting, tracked within the capital asset inventory, and disposed of appropriately.

Views of Responsible Officials: North Lake Tahoe Fire Protection District agrees with this finding.

2024-003: SEFA Preparation
Material Weakness in Internal Control

Criteria:	Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. Title 2 *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) requires North Lake Tahoe Fire Protection District to prepare a Schedule of Expenditures of Federal Awards (SEFA) as prescribed by section 200.510(b). Appropriate identification of federal awards is a key component of effective internal control over financial reporting.
Condition:	Federal awards were inappropriately excluded from the SEFA.
Cause:	North Lake Tahoe Fire Protection District (the District) did not have adequate internal controls in place to ensure the SEFA was complete and accurate.
Effect:	Prior to adjustment, the SEFA was understated by $798,779 in federal expenditures.
Recommendation:	We recommend the District implement internal controls to ensure the SEFA is complete and accurate.
Views of Responsible Officials:	North Lake Tahoe Fire Protection District agrees with this finding.

Section III – Federal Award Findings and Questioned Costs

2024-004: U.S. Department of Homeland Security
Assistance to Firefighters Grant, 97.044

Procurement, Suspension, and Debarment
Material Weakness in Internal Control over Compliance

Grant Award Number: Affects all grant awards included under assistance listing 97.044 on the Schedule of Expenditures of Federal Awards.

Criteria: Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) requires that a non-Federal entity must use its own documented procurement procedures which reflect applicable state and local laws and regulations, provided that the policies conform to applicable federal law. In addition, non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred.

Condition: Procurement policies were consistent with state laws under Nevada Revised Statutes but did not consider or conform to all applicable federal procurement laws. In addition, procedures were not followed to verify if an entity was suspended or debarred before entering into a covered transaction.

Cause: North Lake Tahoe Fire Protection District (the District) did not have adequate internal controls to ensure procurement policies complied with applicable federal laws or to ensure procedures were followed to verify an entity was not suspended or debarred prior to entering into a covered transaction.

Effect: An inappropriate procurement method may be used. A covered transaction may be entered into with an entity that is suspended or debarred.

Questioned Costs: None

Context/Sampling: All procurements were tested as a population of only two were noted. Suspension and debarment verification procedures were not performed for either covered transaction. Lastly, as noted the procurement policies were reviewed and were absent consideration of federal criteria regarding:

- Avoidance of acquisition of duplicative items
- Awarding to responsible parties and contract oversight
- Federal solicitation provisions
- Disadvantaged Business Enterprise programs
- Contract price and types
- Bonding requirements
- Contract provisions and recovered materials

Repeat Finding from Prior Year:	No
Recommendation:	We recommend the District update its written procurement policy to include federal laws and implement internal controls to ensure procedures are followed to verify an entity is not suspended or debarred prior to entering into a covered transaction.
Views of Responsible Officials:	North Lake Tahoe Fire Protection District agrees with this finding.

NORTH LAKE TAHOE FIRE PROTECTION DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2024

2024-005: U.S. Department of Homeland Security
Assistance to Firefighters Grant, 97.044

Reporting
Material Weakness in Internal Control over Compliance

Grant Award Number: Affects all grant awards EMW-2022-FG-03975 under assistance listing 97.044 on the Schedule of Expenditures of Federal Awards.

Criteria: Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) section 200.303 provides that non-federal entities must establish and maintain effective internal control that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

The grant awards require the submission of Federal Financial Reports (SF-425).

Condition: Information reported did not agree to underlying supporting records.

Cause: North Lake Tahoe Fire Protection District (the District) did not have adequate internal controls to provide for accurate reporting of the SF-425 report.

Effect: Inaccurate information was reported to the federal agency.

Questioned Costs: None

Context/Sampling: A non-statistical sample of three SF-425 reports out of a population of eight was selected for testing.

Amounts reported on one of the three reports tested did not agree to underlying support. An error was noted as follows:

<u>SF-425 for Quarter Ended 12/31/2023 for grant EMW-03975:</u>

Key Line Item	Amount Reported	Amount Supported
Cash Disbursements	$76,855.71	$0

Repeat Finding from Prior Year:	No
Recommendation:	We recommend the District enhance internal controls to provide for accurate reporting of the SF-425 report.
Views of Responsible Officials:	North Lake Tahoe Fire Protection District agrees with this finding.