

Nevada Fire Safe Council files for bankruptcy

By Kathryn Reed

The beleaguered Nevada Fire Safe Council has filed for bankruptcy.

Lake Tahoe News in July 2011 first reported about the agency's financial difficulties.

Documents filed this week with the bankruptcy court in Reno show the agency has liabilities up to \$10 million.

A Dec. 27 meeting has been set in Reno for creditors to meet with the bankruptcy judge.

Creditors range from individual homeowners who were supposed to be refunded money for tree removal work via a Nevada Fire Safe Council grant, to private tree service companies, to fire departments, to the U.S. Forest Service. And most live and or do business in the Lake Tahoe Basin.

Earlier this year in a report the U.S. Department of Agriculture's Office of Inspector General found that NVFSC violated several federal regulations, including commingling federal grant money with other funds, allowing one person to be in charge of all aspects of managing the grant money and not conducting annual audits.

The council stopped doing business in the spring.