



TRUCKEE MEADOWS FIRE PROTECTION DISTRICT

STAFF REPORT

Board Meeting Date: May 22, 2018

DATE: May 4, 2018
TO: Truckee Meadows Fire Protection District Board of Fire Commissioners
FROM: Cindy Vance, Chief Fiscal Officer
THROUGH: Charles A. Moore, Fire Chief
Phone: (775) 328-6123 Email: cmoore@tmfpd.us
SUBJECT: Discussion and possible action to approve the Truckee Meadows Fire Protection District to pay Workers' Compensation Heart and Lung Claims invoice dated January 26, 2018 from the City of Reno in the amount, not to exceed \$59,978.54 per the Reno-TMFPD Interlocal Agreement, subject to review by our independent actuary.(All Commission Districts) FOR POSSIBLE ACTION

SUMMARY

This staff report seeks Board approval to the Truckee Meadows Fire Protection District to pay Workers' Compensation Heart and Lung Claims invoice dated April 10, 2018 from the City of Reno in the amount, not to exceed \$59,978.54 per the Reno-TMFPD Interlocal Agreement, subject to review by our independent actuary.

Strategic Objective supported by this item: *Sustainability of our financial, social and natural resources.*

PREVIOUS ACTION

The Board of Fire Commissioners approved the Reno-TMFPD Interlocal Agreement which sets forth the requirement for the TMFPD to pay a percentage of workers' compensation heart and lung claims based on the number of years the employee was a TMFPD employee.

On March 21, 2017, the BOFC approved the Truckee Meadows Fire Protection District to pay Workers' Compensation Heart and Lung Claims in the amount not to exceed \$142,623.29 per the Reno-TMFPD Interlocal Agreement.

On March 20, 2018, the BOFC approved the Truckee Meadows Fire Protection District to pay Workers' Compensation Heart and Lung Claims invoice dated January 26, 2018 from the City of Reno in the amount, not to exceed \$92,508.34 per the Reno-TMFPD Interlocal Agreement, subject to review by our independent actuary.

BACKGROUND

The Reno-TMFPD Interlocal Agreement sets forth the option for the TMFPD to buyout its workers' compensation liability at the end of a five year period which is a liability still in existence even after the

Reno/TMFPD Interlocal Agreement has expired since it pertains to workers' compensation claims made during the period of the Agreement. Per the Agreement, by buying out FY 11/12 claims, the TMFPD will have no further liability for any workers' compensation claims for that year except for heart and lung claims.

The District has received three invoices for fiscal year 2018 totaling \$181,297.60 bringing the cost over \$100,000 and requiring BOFC approval for further payments.

The City of Reno is aware that an independent actuary has been contracted to review the Interlocal agreement, previous buyouts of workers' compensation claims, and FY16/17 and FY17/18 Workers' Compensation Heart and Lung Claims invoices. TMFPD has made partial payments on previous invoices for the claims and plans to make a partial payment on the current invoice, the remaining portion will be accrued for payment pending final review by the independent actuary.

FISCAL IMPACT

Adequate funds have been accrued and budgeted within the District's Workers' Compensation Internal Service fund to pay approved invoices.

RECOMMENDATION

Staff recommends the approval of the Truckee Meadows Fire Protection District to pay Workers' Compensation Heart and Lung Claims invoice dated April 10, 2018 from the City of Reno in the amount, not to exceed \$59,978.54 per the Reno-TMFPD Interlocal Agreement, subject to review by our independent actuary.

POSSIBLE MOTION

Should the Board agree with staffs' recommendation, a possible motion could be:

"I move to approve the Truckee Meadows Fire Protection District to pay Workers' Compensation Heart and Lung Claims invoice dated April 10, 2018 from the City of Reno in the amount, not to exceed \$59,978.54 per the Reno-TMFPD Interlocal Agreement, subject to review by our independent actuary."