

# TAHOE DOUGLAS FIRE PROTECTION DISTRICT

## **RESOLUTION #09-2017**

### **A RESOLUTION APPROVING THE FUNDING OF THE TAHOE DOUGLAS FIRE PROTECTION DISTRICT POST-RETIREMENT PLAN & TRUST PURSUANT TO NRS SECTION 287.017**

**WHEREAS**, in 2012, the Tahoe Douglas Fire Protection District established an irrevocable trust fund to provide post-retirement benefits to retired employees of the District, their spouses, and their dependents as per NRS Section 287.017 and NAC Sections 287.760 through 287.792.

**WHEREAS**, the terms of the Trust provide that all contributions made by the District to the Trust, including any interest and income earned on the assets held by the Trust, are to be retained by the Trustees of the Trust, are to be irrevocable and may be used only for (i) providing post-retirement benefits authorized under NRS Section 287.017, such as health benefits, to retired employees of the District, their spouses, and their dependents in accordance with the benefit plans (as defined in NRS Section 287.017) of the District, and (ii) paying reasonable administrative expenses incident to the provision of such benefits and the administration of the Trust;

**WHEREAS**, the financial auditor and actuary to the District have recommended immediate measures be taken to meet the 2017 GASB74 requirements which changed the definition of a qualifying Trust. To qualify, the Trust must show payment of related retiree premiums by the end of the reporting period of 12/31/17. The District has been advised that it would be acceptable for the Trust to reimburse the District to show compliance and to allow time for the actuarial report to be updated and payment procedures to be put into place for the Trust;

**WHEREAS**, the District currently holds substantial funds which have been budgeted for the purpose of providing post-retirement health benefits to its retirees and spouses of its retirees, and believes that it is in the best interest of the District, its employees, and its retirees to contribute such funds to the Trust.

**WHEREAS**, upon the funding of the Trust, and except as otherwise provided in NRS Section 287.017(h)(2), the Trust provides that no money or assets will be commingled with the money or assets held in the Trust, and the Trust is to be maintained as a separate trust, separate and apart from the District;

**WHEREAS**, the trust provides that the powers, duties, rights, and obligations of the Trustees of the Trust are consistent with the requirements of NRS 287.017 and NAC 287.760 through 287.792; and **BASED UPON THE FORGOING, THE FOLLOWING RESOLUTIONS ARE HEREBY ADOPTED BY THE BOARD OF THE DISTRICT:**

**RESOLVED**, that the Board authorizes the contribution by the District to the Trust those funds which have been budgeted for the purpose of providing post-retirement health benefits to its retirees and spouses of its retirees (the "Available Funds").

**RESOLVED FURTHER**, that the Available Funds of up to \$333,333 are to be contributed by the District on or before December 31, 2017 to the Trust in such increments as the District shall determine.

**RESOLVED FURTHER**, that all Available Funds contributed by the District to the Trust are to be retained by the Trustees of the Trust, are to be irrevocable and may be used only for (i) providing post-retirement benefits authorized under NRS Section 287.017, such as health benefits, to retired employees of the District and spouses of retired employees of the District in accordance with the benefit plans (as defined in NRS Section 287.017) of the District, and (ii) paying reasonable administrative expenses incident to the provision of such benefits and the administration of the Trust.

**RESOLVED FURTHER**, that in administering the Trust, and except as otherwise provided in NRS Section 287.017(h)(2), no money or assets are to be commingled with the money or assets held in the Trust, and the Trust will be maintained as a separate trust, separate and apart from the District.

**RESOLVED FURTHER**, that in administering the Trust, all money and assets held in the Trust may not be used by the Trustees to finance any debt of the District and will not be available for loans to other funds of the District.

Upon motion of Trustee Kjer, seconded by Trustee Grant, the foregoing Resolutions were passed and adopted this 15<sup>th</sup> day of November, 2017, by the following vote of the Board:

Those Voting Aye:

Bill Kirschner  
Ann Grant  
Greg Felton  
Kevin Kjer  
Larry Schumel

Those Voting Nay:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Approved this 15<sup>th</sup> day of November, 2017.

Bill Kirschner  
Bill Kirschner, Chairman

Scott Baker  
Scott Baker, Fire Chief