

STAFF REPORT



Meeting Date: February 17, 2021
To: Board of Directors
From: Michael J. Aho, District Administrator
Subject: Adoption of Resolution No. 021721-01 Extending Workers' Compensation Coverage to Volunteers
Prepared By: Jennifer Larkin, Administrative Services Manager

I. Recommendation

Approve Resolution No. 021721-01 extending Workers' Compensation Coverage to District volunteers:

- Resolution Of The Board Of Directors Of The Fair Oaks Recreation And Park District, Declaring That Board Members And Volunteers Shall Be Deemed To Be Employees Of The District For The Purpose Of Providing Workers' Compensation Coverage For Said Certain Individuals While Providing Their Services.

II. Background

The District's current Workers' Compensation Insurance provider is California Association for Park and Recreation Indemnity (CAPRI). In January, CAPRI notified its member agencies that it would be extending Workers' Compensation insurance coverage to volunteers doing work on behalf of the agency if the agencies submitted a resolution passed by their governing bodies prior to March 5, 2021.

III. Problem /Situation/ Request

From a risk management standpoint, it is beneficial to extend Workers' Compensation coverage to volunteers. When a volunteer is not covered by Workers' Compensation, his or her only remedy for an injury is to file a claim against the District and pursue damages through the civil court system. This can result in costly and time-consuming litigation and a significant claim has the potential to adversely impact the District's loss history and, thus, future premiums. Importantly, it can also result in

unnecessary delays in obtaining competent treatment from qualified professionals.

Conversely, if a volunteer is covered under Workers' Comp, his or her exclusive remedy is through the Workers' Compensation system, which means that they would receive necessary treatment – but at a controlled cost.

Under Section 3363.5 of the California Labor Code:

"...a person who performs voluntary service for a public agency as designated and authorized by the Governing Body of the agency or its designee, shall, upon adoption of a Resolution by the Governing Body of the agency so declaring, be deemed to be an employee for workers' compensation purposes."

The Board must adopt the attached Resolution No. 021721-01 (Attachment A) pursuant to this Labor Code to extend this coverage at no additional cost to the District.

IV. Financial Analysis

There is no financial impact to the District with adoption of this resolution.

Respectfully Submitted,

Michael J. Aho
District Administrator

Attachment A: Resolution No. 021721-01

RESOLUTION No. 021721-01

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE FAIR OAKS RECREATION AND PARK DISTRICT,
DECLARING THAT BOARD MEMBERS AND VOLUNTEERS SHALL BE
DEEMED TO BE EMPLOYEES OF THE DISTRICT FOR THE PURPOSE OF
PROVIDING WORKERS' COMPENSATION COVERAGE FOR SAID CERTAIN
INDIVIDUALS WHILE PROVIDING THEIR SERVICES**

WHEREAS, the Fair Oaks Recreation and Park District utilizes the services of Board Directors and Volunteers; and

WHEREAS, Section 3363.5 of the California Labor Code provides that a person who performs voluntary service for a public agency as designated and authorized by the Board of Directors of the agency or its designee, shall, upon adoption of a resolution by the Board of Directors of the agency so declaring, be deemed to be an employee of the agency for the purpose of Division 4 of said Labor Code while performing such services; and

WHEREAS, the Board of Directors wishes to extend Workers' Compensation coverage as provided by State law to the following designated categories of persons as indicated by a checkmark in the box to the left of the descriptions:

- All Members of the Board of Directors of the Fair Oaks Recreation and Park District as presently or hereafter constituted and/or
- All persons performing voluntary services without pay other than meals, transportation, lodging or reimbursement for incidental expenses
- Individuals on Work-study programs
- Interns
- Other Volunteers

NOW, THEREFORE, BE IT RESOLVED, that such persons coming within the categories specified above, including the duly elected or appointed replacements of any Board Director and other designated individuals be deemed to be employees of the Fair Oaks Recreation and Park District for the purpose of Workers' Compensation coverage as provided in Division 4 of the Labor Code while performing such service. However, said Board Directors and other designated individuals will not be considered an employee of the Fair Oaks Recreation and Park District for any purpose other than for such Workers' Compensation coverage, nor grant nor enlarge upon any other right, duty, or responsibility of such Board Directors or other designated individuals, nor allow such persons to claim any other benefits or rights given to paid employees of the Fair Oaks Recreation and Park District.

PASSED, APPROVED AND ADOPTED this 17th of February, 2021, by the following vote:

AYES:
NOES:
ABSENT:

John O'Farrell, Chairperson
Fair Oaks Recreation and Park District

APPROVED AS TO FORM: