

CITY COUNCIL REGULAR SESSION

Ordinance amending Ordinance No. 6622, adopted November 22, 2021 and previously amended, to amend the 2021-2022 Budget by increasing the General Self Insurance Fund appropriation by \$400,000 to reflect actual costs of liability claims made against the City, purchase of commercial insurance coverage, and administrative costs.

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EXECUTIVE SUMMARY

This Ordinance increases the General Self Insurance Fund (GSI) budget appropriation for 2021-2022 to reflect actual costs of liability claims made against the City, purchase of commercial insurance coverage, and administrative costs.

RECOMMENDATION

Move to adopt Ordinance No. 6702

BACKGROUND/ANALYSIS

The General Self-Insurance Fund was established by Ordinance No. 2957 to account for the City's self-insurance program for general liability, property, and casualty losses, and general loss control activities. The purpose of the Fund is to pay liability claims, purchase commercial insurance coverage, and to maintain reserves for the payment of future claims. Over the course of the 2021-2022 biennium, the City has incurred higher than expected costs related to claim expenses and settlements, as well as costs related to contracting external legal services. The appropriation adjustment is needed to reflect the actual costs the City has incurred. The increase is funded with existing budgeted contributions from all other funds. Staff recommends an appropriation increase of \$400,000 to the GSI Fund.

POLICY & FISCAL IMPACTS

Policy Impact

N/A

Fiscal Impact

The Ordinance will increase the 2021-2022 General Self Insurance Fund appropriation by \$400,000 to reflect actual costs of liability claims made against the City, purchase of commercial insurance coverage, and administrative costs. The increase is funded by the existing budgeted contributions from all other funds.

OPTIONS

1. Adopt the Ordinance amending Ordinance No. 6622, adopted November 22, 2021 and previously amended, to amend the 2021-2022 Budget by increasing the General Self Insurance Fund

appropriation by \$400,000 to reflect actual costs of liability claims made against the City, purchase of commercial insurance coverage, and administrative costs.

2. Do not adopt the Ordinance and provide alternative direction to staff.

ATTACHMENTS

Proposed Ordinance No. 6702

AVAILABLE IN COUNCIL LIBRARY

N/A