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RESOLUTION NO. _____

A RESOLUTION TO AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT WITH SAFETY NATIONAL CASUALTY CORPORATION FOR EXCESS WORKERS' COMPENSATION COVERAGE FOR ONE (1)-YEAR EFFECTIVE JULY 1, 2021; AND FOR OTHER PURPOSES.

WHEREAS, the City of Little Rock, Arkansas, has operated a self-funded Workers' Compensation Program since 1985 and relies upon Stop-Loss Coverage to cap the cost of individual claims; and,

WHEREAS, the Arkansas Workers' Compensation Commission requires that self-insured programs purchase this Stop-Loss coverage; and,

WHEREAS, the City's Insurance Broker solicited quotes for the Excess Workers' Compensation Insurance and received a renewal quote to bind coverage from Safety National Casualty Corporation ("Safety National") for the term of July 1 2021, to June 30, 2022; and,

WHEREAS, the City entered into a Workers' Compensation Stop-Loss Contract with Safety National with an effective date of July 1, 2013, as approved by Little Rock, Ark., Resolution No. 13,728 (July 9, 2013) providing coverage in one (1)-year terms with a maximum of seven (7) renewal periods ending June 30, 2020; and,

WHEREAS, the Broker's recommendation to bind the City's Excess Workers' Compensation Insurance coverage with Safety National for a one year term from July 1 2020, to June 30, 2021, was approved by Little Rock, Ark., Resolution No. 15,246 (June 23, 2020); and,

WHEREAS, the City's 2021-2022 estimated payroll is One Hundred Twenty-Seven Million, Six Hundred Seventy-Four Thousand, Nine Hundred Thirty-Six Dollars (\$127,674,936.00) with a premium rate of \$0.1894 per One Hundred Dollars (\$100.00) of payroll with a deposit and minimum premium of Two Hundred Forty-One Thousand, Eight Hundred Sixteen Dollars (\$241,816.00); and,

WHEREAS, the City's 2020-2021 payroll was reported at One Hundred Ten Million, Seven Hundred Thirty Thousand, Seven Hundred Twenty Dollars (\$110,730,720.00), the excess worker's compensation rate was \$0.1753 for a premium of One Hundred Ninety-Four Thousand Dollars (\$194,000.00).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF LITTLE ROCK, ARKANSAS:

1 **Section 1.** The Board of Directors hereby authorizes the City Manager to enter into a contract
2 with Safety National Casualty Corporation to provide Excess Workers' Compensation Insurance to
3 the City for one (1)-year, effective July 1, 2021, through June 30, 2022, for a premium of Two
4 Hundred Forty-One Thousand, Eight Hundred Sixteen Dollars (\$241,816.00).

5 **Section 2.** Funding for the renewal is allocated annually in the City's General Fund Budget
6 line items for Workers' Compensation, Account No. 100000-14010.

7 **Section 3. Severability.** In the event any title, section, paragraph, item, sentence, clause,
8 phrase, or word of this resolution is declared or adjudged to be invalid or unconstitutional, such
9 declaration or adjudication shall not affect the remaining portions of the resolution, which shall
10 remain in full force and effect as if the portion so declared or adjudged invalid or unconstitutional
11 were not originally a part of the resolution.

12 **Section 4. Repealer.** All ordinances, resolutions, bylaws, and other matters inconsistent with
13 this resolution are hereby repealed to the extent of such inconsistency.

14 **ADOPTED: June 15, 2021**

15 **ATTEST:**

APPROVED:

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18 **Susan Langley, City Clerk**

_____ **Frank Scott, Jr., Mayor**

19 **APPROVED AS TO LEGAL FORM:**

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22 **Thomas M. Carpenter, City Attorney**

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