RESOLUTION NO. ______

A RESOLUTION TO AMEND LITTLE ROCK, ARK., RESOLUTION NO. 13,919 (JULY 1, 2014), TO AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT FOR A TWELVE (12)-MONTH EXTENSION OF THE CURRENT POLICY FOR WORKERS’ COMPENSATION STOP-LOSS COVERAGE WITH SAFETY NATIONAL, EFFECTIVE JULY 1, 2014; AND FOR OTHER PURPOSES.

WHEREAS, the City 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, Safety National, the incumbent carrier, has offered an additional one (1)-year extension of the current policy with an approximate 12% increase in current premium rates; however, options to reduce the rate result in substantially greater risk to the Self-Funded Plan; and,

WHEREAS, Safety National was selected after review of the responses to the most recent RFP and was determined to have offered the most attractive package of premium and coverage; and,

WHEREAS, this renewal represents the second year of a maximum seven (7)-year policy period noted in that RFP; and,

WHEREAS, on July 1, 2014, the Board of Directors adopted Resolution No. 13,919 to authorize the City Manager to enter into a contract with Safety National to provide Workers’ Compensation Stop-Loss Coverage to the City for one (1)-year, effective July 1, 2014, for a total premium of Two Hundred Twenty-Four Thousand, Five Hundred Twenty-Seven Dollars ($224,527.00); and,

WHEREAS, it is now necessary to amend Resolution No. 13,919 to allow additional premium for Workers’ Compensation Stop-Loss Coverage if required after the appropriate audit noted in the Stop-Loss Policy.

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

Section 1. Section 1 of Little Rock, Ark., Resolution No. 13,919 (July 1, 2014) is hereby amended to state the following:

The Board of Directors hereby authorizes the City Manager to enter into a contract with Safety National to provide Workers’ Compensation Stop-Loss Coverage to the City for
one (1)-year, effective July 1, 2014, for a deposit premium of Two Hundred Twenty-Four
Thousand, Five Hundred Twenty-Seven Dollars ($224,527.00), plus any additional
premium required after an annual audit.

Section 2. Funding for the renewal is provided in the budget line items for the Workers’
Compensation Program.

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

Section 4. Repealer. All laws, ordinances, resolutions, bylaws, or parts of same, particularly Little
Rock, Ark., Resolution No. 13,919 (July 1, 2014), that are inconsistent with this resolution are hereby
repealed to the extent of such inconsistency.

Section 5. This resolution shall be in full force and effect from and after its adoption.

ADOPTED: January 6, 2015

ATTEST:                          APPROVED:

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Susan Langley, City Clerk        Mark Stodola, Mayor

APPROVED AS TO LEGAL FORM:

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Thomas M. Carpenter, City Attorney