A RESOLUTION TO AMEND LITTLE ROCK, ARK., RESOLUTION NO. 13,728 (JULY 9, 2013), TO AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT FOR WORKERS’ COMPENSATION STOP-LOSS COVERAGE WITH SAFETY NATIONAL FOR ONE (1)-YEAR, EFFECTIVE JULY 1, 2013; AND FOR OTHER PURPOSES.

WHEREAS, the City of Little Rock 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 agent for Property Casualty has surveyed the market for this coverage and has determined that at present there are only two (2) major insurers available to provide this coverage, Midwest Employer’s Casualty (the incumbent provider) and Safety National; and,

WHEREAS, the incumbent proposed a total premium of Two Hundred Twenty-Four Thousand, Nine Hundred Seventy-Four Dollars ($224,974.00) (including terrorism coverage) for the policy year effective July 1, 2013, and the policy limits the Aircraft Coverage to Five Million Dollars ($5,000,000.00); and,

WHEREAS, Safety National has offered a proposal for the coverage which includes both the terrorism coverage and statutory coverage for all claims, including aircraft, for a total premium of One Hundred Eighty-Nine Thousand, Seven Hundred Sixty-Seven Dollars ($189,767.00), which represents savings in excess of Thirty-Five Thousand Dollars ($35,000.00) over the incumbent’s quote; and,

WHEREAS, on July 9, 2013 the Board of Directors adopted Resolution No. 13,728 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, 2013, for a total premium of One Hundred Eighty-Nine Thousand, Seven Hundred Sixty-Seven Dollars ($189,767.00); 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. 13,728 (July 9, 2013) 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, 2013, for a deposit premium of One Hundred Eighty-Nine Thousand, Seven Hundred Sixty-Seven Dollars ($189,767.00), plus any additional premium required after an annual audit.

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

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. 13,728 (July 9, 2013), 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:  

____________________________________   ____________________________________
Susan Langley, City Clerk        Mark Stodola, Mayor

APPROVED AS TO LEGAL FORM:

____________________________________
Thomas M. Carpenter, City Attorney

//  
//  
//  
//  
//  
//  
//  
//  
//  
//  
//  
//  
//  

[Page 2 of 2]