RESOLUTION NO. ______

A RESOLUTION 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, 2015; 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 a renewal effective July 1, 2015, with a 7.4% change in premium rate; and,

WHEREAS, options to reduce the rate result in substantially greater risk to the Self-Funded Plan; and,

WHEREAS, this renewal represents the third year of a maximum (7)-year policy period noted in the most recent RFP;

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

Section 1. 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, 2015, with an initial deposit premium of Two Hundred Forty-Three Thousand, Five Hundred Thirteen Dollars ($243,513.00), with the final amount subject to audit at the end of the policy year.

Section 2. Funds for the renewal coverage were provided in the 2015 Budget line item 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 All ordinances, resolutions, bylaws, and other matters inconsistent with this resolution are hereby repealed to the extent of such inconsistency.
ADOPTED:    July 7, 2015

ATTEST:                 APPROVED:

______________________________________   _____________________________________
Susan Langley, City Clerk        Mark Stodola, Mayor

APPROVED AS TO LEGAL FORM:

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Thomas M. Carpenter, City Attorney