



STAFF REPORT

Resolution Authorizing Application to the Director of Industrial Relations, State of California for a Certificate of Consent to Self Insure Workers' Compensation Liabilities.

Honorable Mayor and Members of the City Council:

Summary: Approval of the attached resolution will authorize the application to the Director of Industrial Relations, State of California, for a Certificate of Consent to Self Insure Workers' Compensation Liabilities.

Background and Discussion: The City has experienced unprecedented increases with its Workers' Compensation program costs, which now are estimated to run \$0.7 million per year. Looking for alternatives to the current program provided by State Compensation Insurance Fund (SCIF), staff requested that Driver Alliant, the City's insurance broker, propose several options for our consideration. These options include joining a risk pool, implementing a self-insurance program, or continuing with the current premium-based program offered by SCIF.

A precursor to obtaining a quote for coverage under the risk pool and self-insurance programs necessitates filing the attached application with the California Public Entity Excess Insurance Authority. By submitting this application and resolution, the City is not irrevocably bound to either of these options.

Fiscal Impact: There is no fiscal impact associated with this resolution.

Recommendation: Approve attached resolution.

Alternatives: Do not pursue Workers' Compensation insurance alternatives. Continue first dollar coverage with State Fund.

Attachments:

1. Application for a Public Entity Certificate to Self Insure
2. Resolution Authorizing Application to the Director of Industrial Relations, State of California for a Certificate to Self Insure Workers' Compensation Liabilities

Respectfully submitted,

Thomas E. Fil, Finance Director

Daniel Rich, Interim City Manager