

# RESOLUTION NO. 86-027

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO  
ON DATE OF

June 4, 1986

## RESOLUTION ADOPTING SELF-FUNDED INSURANCE PROGRAM AND AUTHORIZING EXECUTIVE DIRECTOR TO CONTRACT FOR INSURANCE CLAIM ADMINISTRATION

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY  
OF SACRAMENTO:

Section 1: That the Executive Director is hereby authorized and directed to take such actions as may be appropriate to implement a self-funded insurance program effective June 1, 1986.

Section 2: A self-insurance fund and self-insurance reserve accounts shall be established by the Agency with a minimum initial balance of \$350,000 for property reserve and \$1,000,000 for comprehensive general liability. Funding for the \$350,000 property reserve and \$500,000 of the general liability reserve shall be based on the proration of the 1985 insurance premium. The remaining \$500,000 of the general liability reserve shall be reserved from conventional housing fund balances with \$400,000 from City and with \$100,000 from County.

Section 3: The self-insurance reserve accounts shall ultimately have a maximum amount of \$1,500,000 for property reserve and \$2,500,000 for comprehensive general liability.

Section 4: Funding for the initial reserve accounts shall be prorated to Agency funding sources on the same basis as the prior year, 1985-86, insurance premium.

Section 5: Interest earned on the reserve accounts shall be retained in the self insurance reserve accounts until the time the reserve accounts reach the maximum level, at which time the excess interest earnings shall be deposited to the Agency's central support fund.

Section 6: Monies in the reserve accounts shall be used to pay claims and related legal defense costs, court costs, and out of pocket claim expenses involved in settling the claim and claim administrative costs.

Section 7: The Executive Director is authorized to contract for claims management and handling services for the period June 1, 1986 to May 31, 1987.

Section 8: The Executive Director is authorized to certify the amount of insurance coverage to other public and private entities.

*Anne Rudin*  
CHAIR

ATTEST:

*William H. Egan*  
SECRETARY