RESOLUTION NO. 2010-23

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALTOS AUTHORIZING THE CITY TO JOIN CALIFORNIA STATE ASSOCIATION OF COUNTIES EXCESS INSURANCE AUTHORITY (CSAC-EIA) JOINT POWERS AUTHORITY (JPA) FOR PURCHASE OF EXCESS WORKERS' COMPENSATION INSURANCE FOR THE PERIOD JULY 1, 2010 TO JULY 1, 2011

WHEREAS, the City is currently self-insured for workers' compensation with an SIR level of $1,000,000; and

WHEREAS, the City historically obtained excess workers' compensation insurance in the commercial insurance market through an insurance broker; and

WHEREAS, commercial insurance purchases are subject to fluctuations in the market; and

WHEREAS, due to commercial market premium fluctuations and the high Self Insured Retention (SIR) level, staff studied the feasibility of joining a JPA for purchase of excess workers' compensation insurance with a lower SIR and more stable rates; and

WHEREAS, staff determined as part of their study that the fiscal impact of moving from commercial insurance to CSAC-EIA for excess workers' compensation insurance with an SIR level of $250,000 in FY2010-2011 would save the City $44,480 in FY2010-2011; and

WHEREAS, as a result of this study, staff determined that CSAC-EIA was the recommended alternative for purchase of excess workers' compensation insurance.

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Los Altos hereby:

1. Approves becoming a member of CSAC Excess Insurance Authority; and
2. Authorizes the City Manager to execute the Joint Powers Agreement and all other necessary documents required to facilitate membership in CSAC Excess Insurance Authority.

I HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution passed and adopted by the City Council of the City of Los Altos at a meeting thereof on the 25th day of May 2010 by the following vote:

AYES: SATTERLEE, CARPENTER, PACKARD, BECKER, CASAS
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

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David C. Casas, MAYOR

Attest:

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Susan Kitchens, CITY CLERK