

1 RESOLUTION R-2023-

2 A RESOLUTION OF THE LONGMONT CITY COUNCIL AUTHORIZING THE TRANSFER  
3 OF A PORTION OF THE UNENCUMBERED APPROPRIATION BALANCE OF THE  
4 WORKERS COMPENSATION INSURANCE FUND TO THE LIABILITY SELF  
5 INSURANCE FUND  
6

---

7 WHEREAS, the City of Longmont maintains the Workers Compensation Insurance Fund,  
8 an internal service fund, for the purpose of accumulating and expending funds from city operating  
9 funds for workers compensation insurance premiums and claims; and

10 WHEREAS, the City of Longmont maintains the Liability Self Insurance Fund, an internal  
11 service fund, for the purpose of accumulating and expending funds from city operating funds for  
12 property, auto and liability insurance premiums and claims; and

13 WHEREAS, the Liability Self Insurance Fund has been experiencing negative trends with  
14 growth in total claims reserves, claims paid, and premium costs. Cyber loss liability is a concern  
15 with local governments subject to ransomware strikes and a reliance on reserves to resolve the  
16 threats. With fund assets of \$4.2 million and open claims reserved at over \$1.2 million the fund  
17 balance of over \$2.9 million needs to be in a stronger position; and

18 WHEREAS, the Workers Compensation Insurance Fund is well funded with a fund balance  
19 of over \$6.97 million in 2023 consisting of assets of over \$7.7 million and open claims reserved  
20 at less than \$1 million; and

21 WHEREAS, in September of 2023, City staff recommended to the City Council that a  
22 transfer of \$1,000,000 be made from the Workers Compensation Insurance Fund to the Liability

1 Self Insurance Fund during 2023 to strengthen the financial position of the Liability Insurance  
2 Fund.

3 NOW THEREFORE, THE COUNCIL OF THE CITY OF LONGMONT, COLORADO,  
4 RESOLVES:

5 Section 1

6 Pursuant to section 9.11 of the Longmont Charter, the City Council hereby authorizes and  
7 directs the transfer of \$1,000,000 from the unencumbered appropriation balance of the Workers  
8 Compensation Insurance Fund to the Liability Self Insurance Fund.

9 Section 2

10 Transfers shall be recorded by November 30, 2023.

11 Section 3

12 The Council repeals all resolutions or parts of resolutions in conflict with this resolution,  
13 but only to the extent of such inconsistency.

14 Passed and adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

1 APPROVED AS TO FORM

2

3

4

5 \_\_\_\_\_  
DEPUTY CITY ATTORNEY

\_\_\_\_\_ DATE

6

7

8

9 \_\_\_\_\_  
PROOFREAD

\_\_\_\_\_ DATE

10

11

12 APPROVED AS TO FORM AND SUBSTANCE:

13

14

15

16 \_\_\_\_\_  
ORIGINATING DEPARTMENT

\_\_\_\_\_ DATE

17

18 CA File: 23-002571