

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor’s Legislative Team

at MileHighOrdinance@DenverGov.org by **3:00pm on Monday**. Contact the Mayor’s Legislative team with questions

Date of Request: 2.18.2020

Please mark one: **Bill Request** or **Resolution Request**

1. Type of Request:

- Contract/Grant Agreement** **Intergovernmental Agreement (IGA)** **Rezoning/Text Amendment**
- Dedication/Vacation** **Appropriation/Supplemental** **DRMC Change**
- Other:** Rescission and cash transfer

2. Title: (Start with *approves, amends, dedicates*, etc., include name of company or contractor and indicate the type of request: grant acceptance, contract execution, contract amendment, municipal code change, supplemental request, etc.)

Approves a rescission of \$1,000,000 from General Fund Contingency to make a cash transfer to the Risk Management SRF based upon previous year obligations.

3. Requesting Agency: Department of Finance, Budget and Management Office

4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: Stephanie Adams	Name: Rachel Bardin
Email: Stephanie.Adams@denvergov.org	Email: Rachel.Bardin@denvergov.org

Agency	Agency Contact	Agency Contact Email	BMO Contact	BMO Contact Email
Risk Management	Ray Sibley/Devron McMillian	Raymond.Sibley@denvergov.org	Jessica Skibo Tara Olden	Jessica.Skibo@denvergov.org Tara.Olden@denvergov.org

5. General description or background of proposed request. Attach executive summary if more space needed:

Supplemental Appropriations from General Fund Contingency:

Risk Management Fund

The Risk Management Special Revenue Fund pays deductibles for various insurance programs and also pays total replacement costs where the City is self-insured, such as City-owned vehicles involved in auto accidents. The revenue for this fund has come from insurance reimbursements, General Fund transfers and subrogation claims.

The average annual expenditures for the fund have been approximately \$780,000. However; in 2019 the expenditures totaled \$2,250,000 primarily as a result of an increase in property insurance deductibles and replacement of large vehicles.

Expenditures due in 2019 exceeded previous year average expenditures due to an increase in property insurance deductibles (general deductible and special hail deductible), as well as an increase in annual severe storms causing damage to City buildings (hail and wind), the total loss of Public Works large vehicles, and building damage due to fire. Total insurable losses the past 3 years have been: 2017 - \$4,130,689; 2018 - \$1,866,210; and 2019 - \$1,003,135. During this time, the City’s deductible for hail losses went from \$100,000 per occurrence to \$500,000 per building (with a \$1 million deductible limit).

As a result, the projected cash balance of the Risk Management Fund will not be sufficient to fund \$1.4 million in replacement of totaled police vehicles to be paid from the Risk Management Fund and cover the average cost of annual property damage.

To be completed by Mayor’s Legislative Team:

Resolution/Bill Number: BR20 0206

Date Entered: _____

When the revenue from insurance reimbursements and subrogation claims have not covered the obligations of this special revenue fund, the General Fund has covered the variance.

Accounting number 11838-2557100.

6. City Attorney assigned to this request (if applicable): N/A

7. City Council District: All

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: BR20 0206

Date Entered: _____