

1 **BY AUTHORITY**

2 ORDINANCE NO.  
3 SERIES OF 2021

COUNCIL BILL NO. CB21-0255  
COMMITTEE OF REFERENCE:  
Finance & Governance

5 **A BILL**

6 **For an ordinance making a rescission from General Fund Contingency,**  
7 **making an appropriation in the General Fund, and making a cash transfer to**  
8 **the General Government Special Revenue Fund.**  
9

10 **WHEREAS**, the City and County of Denver uses the Risk Management Special Revenue  
11 Fund (SRF) to pay deductibles for various insurance programs and to cover replacement costs  
12 where the City is self-insured, such as City-owned vehicles involved in auto accidents; and

13 **WHEREAS**, revenue for this fund has come from insurance reimbursements, subrogation  
14 claims, and General Fund transfers when those two sources and the Fund's cash balance cannot  
15 cover obligations; and

16 **WHEREAS**, average annual expenditures for the Fund have been approximately \$780,000;  
17 however, expenses began to escalate in 2019, when they totaled \$2,778,040 due to an increase in  
18 property insurance deductibles (general deductible and special hail deductible), as well as an  
19 increase in severe storms causing damage to City buildings (hail and wind), and the total loss of  
20 Department of Transportation and Infrastructure large vehicles; and

21 **WHEREAS**, in 2020, annual expenses are estimated to be about \$2 million, due to repairs  
22 resulting from weather-related damage, repairs resulting from civil unrest, and totaled vehicles; and

23 **WHEREAS**, City Council previously authorized a \$1 million cash transfer from General Fund  
24 Contingency to address the rising cost of property damage that could not be supported by the  
25 SRF's existing revenue streams or cash balance through Ordinance No. 206, Series of 2020; and

26 **WHEREAS**, during the 2021 budget process, the Department of Finance addressed the  
27 increase in ongoing costs by appropriating a transfer in the 2021 budget of \$500,000 from the  
28 General Fund to the SRF to supplement existing revenue streams; and

29 **WHEREAS**, the Department of Finance has determined that the SRF will require additional  
30 funding to address the outstanding 2020 totaled vehicle list, specifically to replace vehicles in the  
31 Police Department, Fire Department, and Parks and Recreation, while also covering ongoing  
32 expenses;



