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City of Racine, Wisconsin
COMMON COUNCIL

AGENDA BRIEFING MEMORADUM (ABM)

COMMITTEE: Finance and Personnel Committee **LEGISLATION ITEM #:** 0900-20

AGENDA DATE: January 11, 2021

DEPARTMENT: City Attorney's Office

Prepared By: City Attorney Scott R. Letteney

Reviewed By:

SUBJECT: Self-Insurance for Worker's Compensation Liability

EXECUTIVE SUMMARY: Every three years, Worker's-Compensation-self-insured municipalities are required to notify the Wisconsin Department of Workforce Development of their intent to continue to self-insure for Worker's Compensation purposes.

BACKGROUND & ANALYSIS: For many years, the City of Racine has covered employees' worker's compensation coverage by self-insuring. Cities and Villages Mutual Insurance Company provides administration services for the city. The City's worker's compensation program continues to be efficient and cost-effective.

BUDGETARY IMPACT: There is no additional budgetary effect. The worker's compensation program is provided for in the City's budget annually. The annual cost has been from approximately \$1,100,000 to \$1,500,000 each year for the last several years. For 2021, \$1,400,000 is budgeted.

OPTIONS/ALTERNATIVES: Fail to comply with the law and decline to recertify for the next three years.

28 **RECOMMENDED ACTION:** Resolve to reauthorize worker's compensation self-insurance for 2021
29 through 2024.

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31 **ATTACHMENT(S):** None