EM SUBMISSION NO.: <u>EM1072013</u> PRESENTED: <u>9-11-13</u> ADOPTED: <u>9-11-13</u>
RESOLUTION TO MICHIGAN AUTO INSURANCE PLACEMENT FACILITY
BY THE EMERGENCY MANAGER:
The City of Flint incurred Assessment Fees from the Michigan Automobile Insurance Placement Facility for all self-insured vehicles for the period of 1/1/12 through 12/31/12. These costs should be charged to the following budgeted and pre-encumbered self-insurance account number: 677-174.851-955.000.
<b>IT IS RESOLVED,</b> that the appropriate City Officials do all things necessary to assure that payment be made to the Michigan Auto Insurance Placement Facility and for the annual self-insured assessment fee totaling \$16,191.00.
APPROVED AS TO FORM:  Peter M. Bade, City Attorney  APPROVED AS TO FINANCE:  Gerald Ambrose, Finance Director
EM DISPOSITION:
ENACT REFER TO COUNCIL FAIL
Michael K. Brown, Emergency Manager  DATED: 9-11-13

## RESOLUTION STAFF REVIEW

DATE: September 10, 2013

Agenda Item\_Title: Michigan Automobile Insurance Placement Facility

Prepared By: V. Foster-Finance Division

## **Background/Summary of Proposed Action:**

The City of Flint is required annually to pay assessment fees for self-insured vehicles. In the past, these funds have been remitted to the State of Michigan, Assigned Claims Facility. Due to restructuring at the State of Michigan, this assessment is now done by the Michigan Automobile Insurance Placement Facility. This fee is based upon calendar year 2012 payments, registered City vehicles, and is owed in an amount of \$16,191.00.

## Financial Implications

Failure to pay this assessment would result in the City losing its self-funded status and require a significant increase in cost through commercial insurance premiums.

Funding is available in the Self Insurance Fund-Risk and Benefit Insurance/Bonds account.

<u>Budgeted Expenditure</u>? <u>X</u>Yes No Please explain if no:

**Account No.**: 677-174.851-955.000

Pre-encumbered? Yes No X Requisition #

<u>Other Implications (i.e., collective bargaining):</u> The City's self-insured status from the State of Michigan would be in jeopardy.

## **Staff Recommendation:**

Recommend approval

aff Person: Waster Approx