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COUNTY COUNCIL  
SNOHOMISH COUNTY, WASHINGTON



CO00028382

ORDINANCE NO. 85-064  
RELATING TO AMENDMENTS TO SNOHOMISH COUNTY CODE CHAPTER 4.21

SECTION 1. Snohomish County Code 4.21.010 is hereby amended as follows:

4.21.010 Insurance Fund.

- (1) Creation. There is hereby created an Internal Service Fund to be known as the Snohomish County Insurance Fund.
- (2) Permissible Uses. Permissible uses of the Insurance Fund shall be limited to the following:
  - (a) Payment of claims and related investigative cost;
  - (b) Payment of negotiated settlements;
  - (c) Payments of judgments;
  - (d) Payment of the costs of litigation, including but not limited to attorney's fees and the costs of discovery and witnesses;
  - (e) Payment of insurance payments;
  - (f) Payment of insurance deductibles;
  - (g) Cost of operating the safety function of the personnel department;
  - (h) Cost of operating the insurance support function of the Prosecuting Attorney's Office;
  - (i) Payment of Industrial Insurance Supplemental Assessments as levied by the State of Washington.
  - (j) Payment of Unemployment Compensation claims.

Expenditures from the insurance fund or any account therein shall be made by the Director of Finance.

- (3) Review. The operation of the insurance fund shall be reviewed annually by the Director of Finance. The report shall include the amounts of all expenses of the insurance fund; settlements by insurance carriers in behalf of the County; and all moneys recovered by the County for recovery of losses. Expenses for claims, negotiated settlements,

insurance settlements, judgements, litigation, and their related costs, and costs of recovery, unrecovered losses, and recovered moneys shall be individually identified.

(4) Fire Insurance Reserve.

- (a) The Fire Insurance Cumulative Reserve established by Ordinance 80-103, SCC Chapter 4.52 is hereby transferred to and will be maintained as a cumulative account in the Insurance Fund as hereby established as Retained Earnings: Reserved for Fire Losses of said Insurance Fund.
  - (b) The balance in Retained Earnings: Reserved for Fire Losses Account, shall be maintained at not less than \$250,000.
  - (c) The contributions to the Account by the county enterprises, departments or divisions to meet the minimum total deposit of \$250,000 shall be the difference between the amount on deposit in the existing Fire Insurance Cumulative Reserve Fund as of the effective date of this ordinance and the \$250,000 minimum deposit. This difference is to be prorated over not more than the following two years to complete the funding.
  - (d) Subsequent contributions to the Account will be determined on the amounts paid out in claims in the previous year. The Director of Finance shall calculate the proration annually based upon the enterprise, department or division proportionate share of the total building values occupied and/or controlled.
  - (e) This account is to be used to pay for the benefit of affected offices or departments for losses on county buildings not recoverable under insurance policies where a decision is made to rebuild or repair.
- (5) Funds contained in the Insurance Cumulative Reserve (602-100-000) and the Industrial Insurance Cumulative Reserve (602-130-000) are hereby transferred to and shall be maintained as separate accounts in the Insurance Fund and will hereby become known as Retained Earnings: Reserved for Auto and General Liability Losses and Retained Earnings: Reserved for Worker's Compensation Losses. These accounts are cumulative reserve funds established by R.C.W. 36.33.020. The Reserved for Worker's Compensation account shall be maintained at all times as required by the state director of labor and industries.
- (6) The cash balances in the "Self-Insurance Claim Revolving Fund" and "Worker's Compensation Claim Revolving Fund" are hereby transferred to the "Insurance Fund" and shall be handled as separate accounts therein, to be designated "Self-Insurance Claim Revolving Account" and "Worker's Compensation Claim Revolving Account".

(7) There is hereby created a separate account in the Insurance Fund known as Retained Earnings: Reserved for Unemployment Compensation Claims.

←7→ (8) The fund is to be administered in accordance with the system of accounting approved by the state auditor (BARS), and anything not consistent therewith in this section shall be of no force and effect.

Dated July 24, 1985

Bruce Legman  
COUNTY COUNCIL CHAIRMAN

ATTEST:

Kathryn J. Morton  
Clerk of the Council

ATTEST:

Donna Leifer-Johnson

Willis D. Tucker  
COUNTY EXECUTIVE

(  ) APPROVED ( ) VETOED

( ) EMERGENCY

Date July 30, 1985

Published:

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