

ORDINANCE

AUTHORIZING AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH MADISON CONSULTING GROUP, INC. FOR CONSULTING AND ACTUARIAL REVIEW SERVICES FOR THE SELF-FUNDED WORKERS' COMPENSATION AND LIABILITY PROGRAMS TO PERFORM MID-YEAR ACTUARIAL REPORTS, AND WILL AUTHORIZE UTILIZATION OF A SUBCONTRACTOR, FTI CONSULTING, INC. THROUGHOUT THE CONTRACT TERMS. THIS AMENDMENT WILL INCREASE THE CONTRACT VALUE BY \$62,000.00 OVER THE LIFE OF THE CONTRACT TO A REVISED TOTAL OF \$131,000.00. FUNDING IS THE FROM THE LIABILITY INSURANCE FUND AND WORKERS' COMPENSATION FUND.

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WHEREAS, the City of San Antonio ("City") has had an established self-insurance program for its auto liability and general liability exposures since October 1, 1983 and for its exposure to workers' compensation claims since October 1, 1985: and

WHEREAS, City utilizes the services of a licensed Independent Consulting Actuary to: (1) conduct a comprehensive annual actuarial analysis of the City's self-insured workers' compensation and liability programs; (2) be able to identify the claims or activities that are causing significant fluctuations in the annual actuarial liability; and (3) attend all City quarterly claims meetings for the purpose of jointly reviewing the City's claim reserves, assumptions, and anomalies with the goal of providing additional context for consideration in the development of the respondent's year-end actuarial analysis; and

WHEREAS, City entered into the Professional Services Agreement with Madison Consulting Group, Inc. as authorized by City of San Antonio Ordinance No. 2023-11-30-0877, passed and approved on November 30, 2023. The original contract term included actuarial reviews for fiscal year ends 2023 through 2027 with two (2) additional one (1) year extensions covering fiscal years 2028 and 2029; and

WHEREAS, this amendment adjusts the number of actuarial reviews conducted annually from once a year to twice a year to include a mid-year review in addition to a year-end review. The addition of the mid-year review allows the City to identify trends or issues earlier during the preparation of the City's annual forecast that may impact the liability and workers compensation claims and reserve estimates; and

WHEREAS, it is now necessary for the City Council to approve the Amendment described herein to authorize the twice yearly actuarial reviews; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. City Council approves the Amendment to the Professional Services Agreement by and between the City and Madison Consulting Group, Inc., which is attached hereto as **Exhibit “A”**.

SECTION 2. Funding in the amount of \$10,000.00 for this ordinance is available in Fund 75001000, Cost Center 7509020002 and General Ledger 5201040 as part of the Fiscal Year 2024 Adopted Budget approved by City Council.

SECTION 3. Funding in the amount of \$10,000.00 for this ordinance is available in Fund 75003000, Cost Center 7501010001 and General Ledger 5201040 as part of the Fiscal Year 2024 Adopted Budget approved by City Council.

SECTION 4. Additional funding is contingent upon City Council approval of the Fiscal Year 2025 and subsequent budgets that fall within the contract terms of this ordinance.

SECTION 5. Payment as a result of the increase to this amendment is authorized to Madison Consulting Group, Inc. and should be encumbered with a purchase order.

SECTION 6. The financial allocations in this Ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer may, subject to concurrence by the City Manager or the City Manager’s designee, correct allocations to specific Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

SECTION 7. This Ordinance is effective immediately upon passage by eight affirmative votes; otherwise, it is effective on the tenth day after passage.

PASSED AND APPROVED this ____ day of _____ 2024.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Debbie Racca-Sittre, City Clerk

Andrew Segovia, City Attorney

TR
4/11/2024
Item No. 24-199029

EXHIBIT A