

**RESOLUTION APPROVING THE FISCAL YEAR 2017-2018  
OPERATING MEMORANDUM BETWEEN THE CITY OF  
WINSTON-SALEM AND THE RISK ACCEPTANCE  
MANAGEMENT CORPORATION**

**WHEREAS**, on June 20, 1988, the City Council approved the establishment of a new Risk Management Program for the City of Winston-Salem; and

**WHEREAS**, the program provides the City with the administration of its liability (automobile, general, public officials, excess workers' compensation and excess health care costs) risks, creation of reserves against those risks, and the payment of claims; and

**WHEREAS**, on July 18, 1988, the Council approved a long term contract between the City and the Risk Acceptance Management Corporation (RAMCO) to administer the new Risk Management Program; and

**WHEREAS**, the contract between the City and the Risk Acceptance Management Corporation requires the annual renewal of the Operating Memorandum; and

**WHEREAS**, as a result of favorable operating results, RAMCO has assumed the costs of claims administration, investigation, and adjusting services provided by personnel of the City's Risk Management Division including the City's employee safety and workers' compensation programs; and

**WHEREAS**, RAMCO will reimburse the City by June 30, 2018, the actual cost, estimated at \$790,790 for the Risk Management Division of the Financial Management Services Department for Fiscal Year 2017-2018; and

**WHEREAS**, according to the Operating Memorandum, RAMCO is to notify the City by March 31 preceding each renewal term as to the basic payment and any additional payments needed to provide for sufficient funding of the program for the upcoming fiscal year; and

**WHEREAS**, the RAMCO Board of Directors has determined that the total payment for automobile, general, excess workers' compensation and excess health care liability risks for Fiscal Year 2017-2018 will be the basic payment of \$1,065,510 which is sufficient for administration of the program; and

**NOW, THEREFORE, BE IT RESOLVED** that the City Council, upon recommendation of the Finance Committee and the City Manager does hereby approve the attached Operating Memorandum for the period beginning July 1, 2017 and ending June 30, 2018.

**BE IT FURTHER RESOLVED** that the City Manager and City Secretary are hereby authorized to execute the Operating Memorandum on behalf of the City of Winston-Salem.