



# Lake County Illinois

## Legislation Text

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File #: 22-1275, Version: 1

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Resolution authorizing an emergency appropriation in Fund 206 Liability Insurance and Risk Fund to fund a Settlement Agreement in the amount of \$2,900,000 from the Fund 206 fund balance.

- Lake County has authorized a settlement that requires a payment of \$2,900,000 of which approximately \$1,900,000 was received from a third-party insurer.
- The Fund 206 annual budget is established based on historical average claim spend but in Fiscal Year (FY) 2022, nearly all budgeted funds have already been utilized for other payments. Therefore, it is necessary to utilize the reserves that are specifically set aside for the Risk Fund, as determined by an actuarial assessment performed by an independent third party, in accordance with Lake County's Fund Balance Policy.
- This action appropriates the insurance reimbursement revenue as well as the settlement expense amount using approximately \$1,000,000 from the reserves. The settlement has been previously authorized.

### RESOLUTION

**WHEREAS**, Lake County has agreed to a settlement which requires a \$2,900,000 payment for which a risk reserve had been established in accordance with the Lake County Budget and Finance Policies; and

**WHEREAS**, the FY 2022 annual budget has been used for other claims settlements and does not include sufficient funding for this claim; and

**WHEREAS**, an insurance reimbursement amount was received in the amount of approximately \$1,900,000 to offset the expense and the remainder will be funded by the fund balance, which had sufficient reserves set aside for this claim; and

**WHEREAS**, an emergency appropriation is necessary to provide sufficient funding to make the approved settlement payment.

**NOW, THEREFORE, BE IT RESOLVED**, that the Lake County Board approves an emergency appropriation in the amount of \$1,938,852.62 in the Fund 206 Liability Insurance and Risk Fund, account number 206-1440010-47050 (insurance reimbursement revenue) as well as \$2,900,000 in the Fund 206 Liability Insurance and Risk Fund, account number 206-1440010-72190 (settlements).

**DATED** at Waukegan, Illinois on September 13, 2022.