

**ROCHELLE CITY COUNCIL
AGENDA ITEM MEMO
REGULAR MEETING**

SUBJECT: A Resolution Amending an Adopted Electric Operations Loss Reserve Fund Policy

Staff Contact:

Brittney Zick

Summary:

I am here seeking approval for an Amendment to Resolution # R23-101, Adopting an Electric Operations Loss Reserve Fund Policy. The changes include:

1. A provision to provide funds for equipment breakdown of power generating assets which are excluded by our current risk insurance carrier.
2. Keeping a figure of \$1,000,000.00 in cash reserve for equipment breakdown of power generating assets.

These provisions are needed as our current risk insurance carrier excludes equipment breakdown coverage of power generating assets, and to date, the City's claims history supports a \$1,000,000.00 figure for this type of loss.

The Amended Policy is attached to the Resolution for review.

Funding Sources:

Source:	Budgeted Amount:	Proposed Expenditure:
Electric Funds		

Strategic Plan Goal Application:

Recommendation:

To approve An Amendment to the Resolution Adopting an Electric Operations Loss Reserve Fund Policy