

FISCAL NOTE

Executive Proposed Supplemental

Ordinance/Motion: 2021-2022 Omnibus

Title: THE RISING COST OF RISK (S3_001)

**Requesting Agency: OFFICE OF RISK MANAGEMENT SERVICES
(EN_A15400)**

Address the rising cost of risk. Claims and insurance costs are rising at an unprecedented rate across the nation and at King County. This changing legal environment, combined with an increase in serious King County loss events, is the cause of the County's significant claims and insurance inflation. Claims costs rose 84% during 2021 compared to 2020. King County is taking actions to mitigate these escalating costs yet this trend is expected to continue.

	2021-2022	2023-2024	2025-2026
Total Revenue			
SERVICES-OTHER CHARGES (53000)	35,000,000		
Total Expenditure	35,000,000		
Net Impact	-35,000,000		

1. Request is supported by fund balance.
2. Increase in claims expense is supported by actuarial calculations and large claim projections.
3. See financial plan for out-year projections.