



Legislation Text

File #: 15-0365, **Version:** 1

Human Resources, Risk Management Division, recommending the Board:

- 1) Adopt and authorize the Chair to sign Resolution **060-2015** authorizing Risk Management to apply to the Director of Industrial Relations, State of California for certificate of consent to self-insure workers' compensation liabilities pursuant to Labor Code Section §3700(b) and delegate authority to the Risk Manager to execute any and all related documents required for such application; and
- 2) Adopt and authorize the Chair to sign Resolution **061-2015** to terminate the El Dorado County Risk Management Authority, since the Joint Powers Authority establishing the authority has terminated by withdrawal of members.

DEPARTMENT RECOMMENDATION

El Dorado County, Risk Management Division recommends:

- 1) Board adopt Resolution 060-2015 authorizing application to Director of Industrial Relations, State of California for a certificate of consent to self-insure workers' compensation liabilities pursuant to Labor Code Section §3700(b) in order to attain self-insured status as a stand-alone entity and avoid potential workers' compensation cost increases, and delegating authority to the Risk Manager to execute any and all related documents required for such application.
- 2) Board adopt Resolution 061-2015 to terminate the El Dorado County Risk Management Authority. This entity was formed in 1980 by a Joint Powers Agreement entered into by County, Pollock Pines/Camino Fire District, Diamond Springs/El Dorado Fire District, Cameron Park CSD, Northside Fire District and Georgetown Fire District. All other parties have withdrawn from the JPA and arraigned for self-insurance.

DISCUSSION/BACKGROUND

Risk Management annually applies for certificate of self-insurance. El Dorado County Risk Management Authority Joint Powers Authority was formed July 1, 1980 to provide member entities self-insured status for losses and to jointly purchase excess insurance including workers' compensation. In 2014, El Dorado County was notified by the Director of Industrial Relations (DIR) that DIR requires County to submit new application in County's name because the JPA is no longer operative since the County is the only remaining member. Risk Management has checked with the Auditor-Controller and there are no funds on account that would preclude the County from terminating the JPA. Risk Management has contacted and verified that all other members have withdrawn and procured self-insured status through other insurance pooling arrangements.

ALTERNATIVES

N/A

OTHER DEPARTMENT/AGENCY INVOLVEMENT

N/A

CAO RECOMMENDATIONS

Adopt resolutions.

FINANCIAL IMPACT

If County does not attain self-insured status as a stand-alone entity, the estimated annual workers' compensation claims cost to County would be approximately \$4,300,000 based on data provided by County's Workers' Compensation Insurance Broker and Excess Workers' Compensation Insurer.

CLERK OF THE BOARD FOLLOW UP ACTIONS

Provide Risk Management with a certified copy of the adopted Resolutions and notarized or County Seal affixed to application.

STRATEGIC PLAN COMPONENT

N/A

CONTACT

Jason Hunter, Risk Manager