



County of El Dorado

330 Fair Lane, Building A
Placerville, California
530 621-5390
FAX 622-3645
www.edcgov.us/bos/

Legislation Text

File #: 09-0445, Version: 1

Chief Administrative Office requesting the Board approve the minimum actuarial funding/confidence levels for the Risk Management General Liability and Workers' Compensation Programs for Fiscal Year 2009/2010.

BUDGET SUMMARY:		
Total Estimated Cost		\$
Funding		
Budgeted	\$	
New Funding	\$	
Total Funding Available	\$	
Change To Net County Cost		\$

Fiscal Impact/Change to Net County Cost:

Currently the Workers' Compensation program is funded at a 95% confidence level which creates a surplus of \$2,545,000. The Board can choose to reduce funding over a one or two year period in order to bring funding to a minimum recommended 70% confidence level. The General Liability fund is currently funded between a 65% -70% confidence level which creates a deficit of \$781,000. The Board can choose to increase funding over a one or two year period to bring funding up to a minimum recommended 70% confidence level.

Reason for Recommendation:

Each year, the County's actuaries examine our claims history for both our General Liability and Workers' Compensation Programs to determine recommended funding levels. The levels of funding are categorized by Confidence Levels. For example, funding a program at a 70% Confidence Level, which is the minimum recommended level of funding, means that the County has 70% of the funds necessary funding to pay all our current and expected claims. A higher confidence level equates to more funds held in reserve. On April 6th staff will review the attached material and the budget implications of the one year vs two year scenario with the Board.

Action to be taken following Board approval:

Board provides direction for future funding levels for General Liability and Workers' Compensation programs. Risk Management adjusts funding levels accordingly for FY 09/10 and reports back to Board next year to review funding levels of both programs.

Contact: Ron Grassi, x5569, Larry Costello, x6625

Concurrences: Risk Management, CAO

