

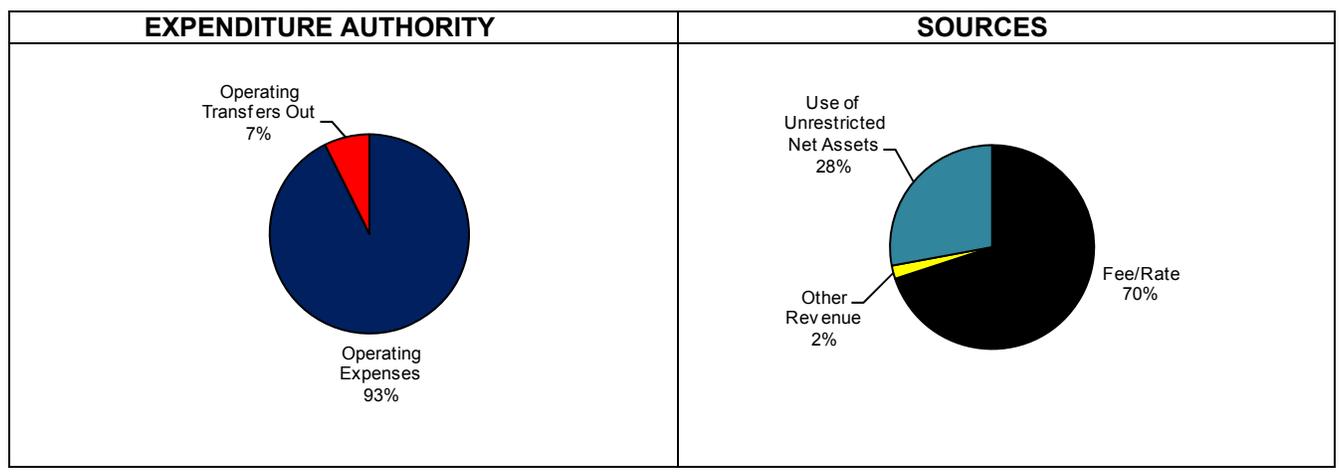
Insurance Programs

DESCRIPTION OF MAJOR SERVICES

Risk Management administers the County's self-insured workers' compensation, public liability, property conservation, safety and risk reduction programs and its insured programs. All programs are paid from self-insurance funds and funded by charging general fund and non-general fund departments, as well as Board-Governed Special Districts and County Service Areas. Each is billed for its specific coverage for the cost to pay losses under the self-insured programs and the cost of insurance for the insured programs.

Budget at a Glance	
Total Expenditure Authority	\$89,862,129
Total Sources	\$64,773,010
Net Budget	(\$25,089,119)
Estimated Unrestricted Net Assets	\$117,036,018
Use of Unrestricted Net Assets	\$25,089,119
Total Staff	0

2012-13 ADOPTED BUDGET



ANALYSIS OF 2012-13 ADOPTED BUDGET

GROUP: Administration
DEPARTMENT: Risk Management
FUND: Insurance Programs

BUDGET UNIT: Various
FUNCTION: General
ACTIVITY: Insurance

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2011-12 Final Budget	2012-13 Adopted Budget	Change From 2011-12 Final Budget
Appropriation							
Staffing Expenses	0	0	0	0	0	0	0
Operating Expenses	48,881,889	58,310,699	60,568,396	67,173,901	67,420,324	83,270,970	15,850,646
Capital Expenditures	0	0	0	9,110	9,999	0	(9,999)
Contingencies	0	0	0	0	0	0	0
Total Exp Authority	48,881,889	58,310,699	60,568,396	67,183,011	67,430,323	83,270,970	15,840,647
Reimbursements	0	0	0	0	0	0	0
Total Appropriation	48,881,889	58,310,699	60,568,396	67,183,011	67,430,323	83,270,970	15,840,647
Operating Transfers Out	6,681,112	7,114,024	6,558,844	6,235,825	6,235,825	6,591,159	355,334
Total Requirements	55,563,001	65,424,723	67,127,240	73,418,836	73,666,148	89,862,129	16,195,981
Departmental Revenue							
Taxes	0	0	0	0	0	0	0
Realignment	0	0	0	0	0	0	0
State, Fed or Gov't Aid	41,250	16,875	0	0	0	0	0
Fee/Rate	81,284,460	67,247,750	58,486,072	67,268,843	67,270,187	62,878,000	(4,392,187)
Other Revenue	7,641,363	4,721,680	3,415,163	2,334,747	(6,687)	1,895,010	1,901,697
Total Revenue	88,967,073	71,986,305	61,901,235	69,603,590	67,263,500	64,773,010	(2,490,490)
Operating Transfers In	0	1,778	0	0	6,462	0	(6,462)
Total Financing Sources	88,967,073	71,988,083	61,901,235	69,603,590	67,269,962	64,773,010	(2,496,952)
Net Budget	33,404,072	6,563,360	(5,226,005)	(3,815,246)	(6,396,186)	(25,089,119)	(18,692,933)
				Budgeted Staffing	0	0	0

BUDGET CHANGES AND OPERATIONAL IMPACT

Operating expenses have increased by \$15.9 million due to projected costly settlements and increased liability claim experience. Additionally, there are increased claims costs in workers' compensation and premiums for excess insurance are also anticipated to increase. Operating transfers out represents funding to Risk Management Operations of \$6,183,948 as well as \$407,211 for positive workers compensation experience modification credits being transferred to general fund contingencies (budget unit AAA FAD).

Departmental revenue is decreasing by \$2.5 million as a result of diminishing interest earnings as well as a decrease in prior excess insurance reimbursements.

MAJOR EXPENDITURES AND REVENUE IN 2012-13 ADOPTED BUDGET

Operating expenses of \$83.3 million primarily consist of judgment and settlement costs, medical treatment and expenses, temporary disability and loss earnings, property insurance, and legal defense services. Operating transfers out of \$6.5 million represent funding to Risk Management's Operations budget unit.

Departmental revenue of \$64.7 million includes insurance premiums collected from user departments.

STAFFING CHANGES AND OPERATIONAL IMPACT

There is no staffing associated with this budget unit. Staff that administers these insurance programs are budgeted in Risk Management's Operations budget unit.

