

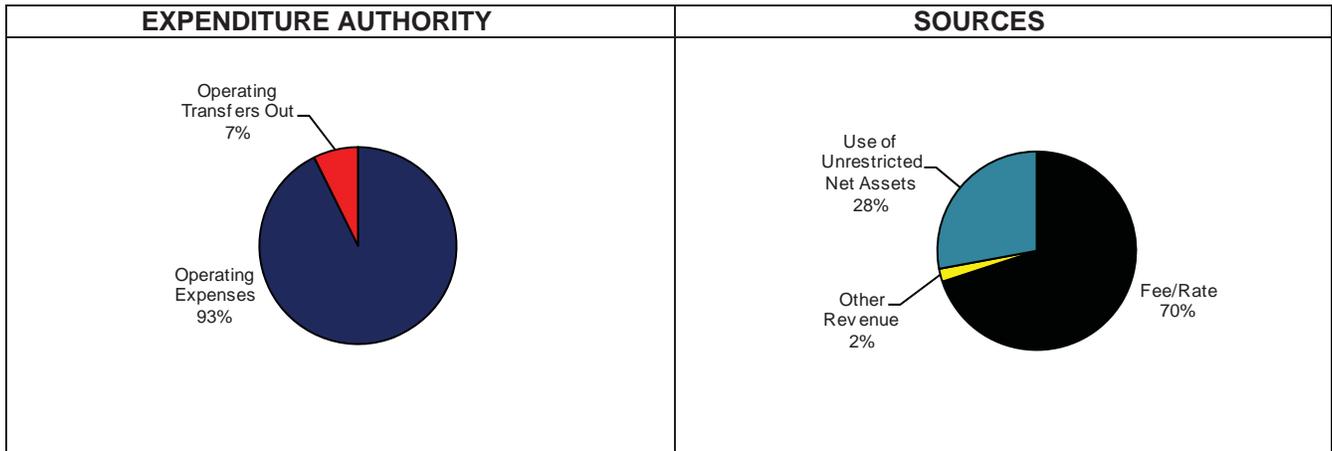
Insurance Programs

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
Rev Over/(Under) Exp	(\$25,089,119)
Total Staff	0

2012-13 RECOMMENDED BUDGET



ANALYSIS OF 2012-13 RECOMMENDED 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 Estimate	2011-12 Modified Budget	2012-13 Recommended Budget	Change From 2011-12 Modified Budget
Appropriation							
Staffing Expenses	0	0	0	0	0	0	0
Operating Expenses	48,881,889	58,310,699	60,568,396	67,429,212	70,493,665	83,270,970	12,777,305
Contingencies	0	0	0	0	0	0	0
Total Exp Authority	48,881,889	58,310,699	60,568,396	67,429,212	70,493,665	83,270,970	12,777,305
Reimbursements	0	0	0	0	0	0	0
Total Appropriation	48,881,889	58,310,699	60,568,396	67,429,212	70,493,665	83,270,970	12,777,305
Depreciation	0	0	0	0	0	0	0
Operating Transfers Out	6,681,112	7,114,024	6,558,844	6,229,363	6,229,363	6,591,159	361,796
Total Requirements	55,563,001	65,424,723	67,127,240	73,658,575	76,723,028	89,862,129	13,139,101
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	66,893,396	62,853,000	62,878,000	25,000
Other Revenue	7,641,363	4,721,680	3,415,163	1,918,772	7,473,842	1,895,010	(5,578,832)
Total Revenue	88,967,073	71,986,305	61,901,235	68,812,168	70,326,842	64,773,010	(5,553,832)
Operating Transfers In	0	1,778	0	0	0	0	0
Total Financing Sources	88,967,073	71,988,083	61,901,235	68,812,168	70,326,842	64,773,010	(5,553,832)
Rev Over/(Under) Exp	33,404,072	6,563,360	(5,226,005)	(4,846,407)	(6,396,186)	(25,089,119)	(18,692,933)
				Budgeted Staffing	0	0	0
Fixed Assets							
Capital Expenditures	0	0	0	0	0	0	0
Total Fixed Assets	0	0	0	0	0	0	0

BUDGET CHANGES AND OPERATIONAL IMPACT

Operating expenses have increased \$12.7 million due to 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.

Departmental revenue is decreasing by \$5.5 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 RECOMMENDED BUDGET

Operating expenses of \$83.0 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.

