

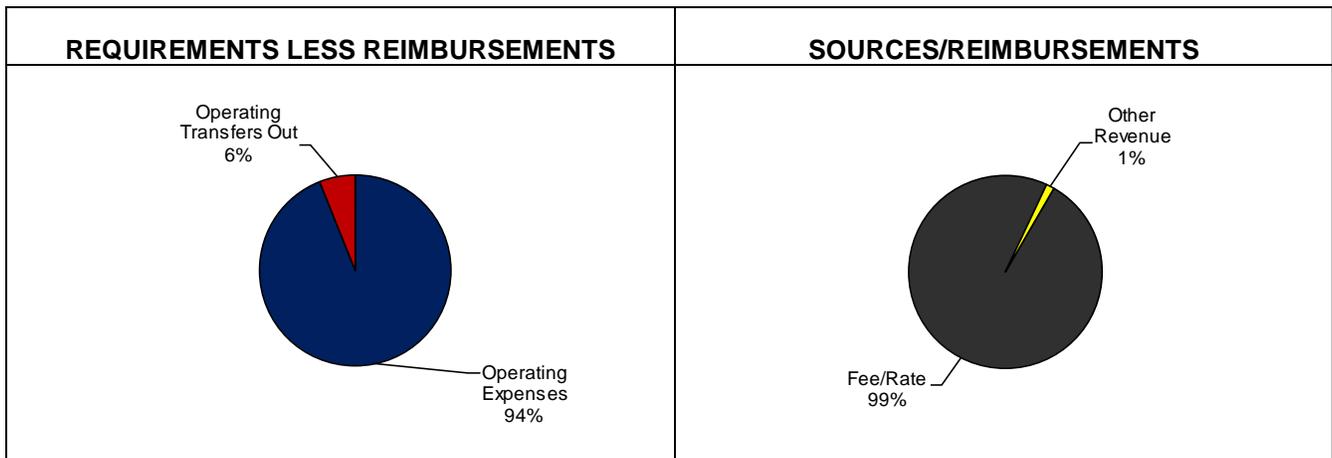
## Insurance Programs

### 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 financed 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	
Requirements Less Reimbursements	\$100,188,045
Sources/Reimbursements	\$103,105,819
Use of / (Contribution To) Net Position**	(\$2,917,774)
Total Staff	0

### 2015-16 RECOMMENDED BUDGET



\*\* Contribution to Net Position appears as a negative number and increases Estimated Net Position Available.



## ANALYSIS OF 2015-16 RECOMMENDED BUDGET

GROUP: Administration  
DEPARTMENT: Risk Management  
FUND: Insurance Programs

BUDGET UNIT: VARIOUS  
FUNCTION: General  
ACTIVITY: Insurance Programs

	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Estimate	2014-15 Modified Budget	2015-16 Recommended Budget	Change From 2014-15 Modified Budget
<b>Requirements</b>							
Staffing Expenses	0	0	0	0	0	0	0
Operating Expenses	67,173,901	62,512,745	68,403,173	66,175,712	90,260,545	94,056,831	3,796,286
Capital Expenditures	9,110	7,457	0	0	0	65,796	65,796
Total Exp Authority	67,183,011	62,520,202	68,403,173	66,175,712	90,260,545	94,122,627	3,862,082
Reimbursements	0	0	0	0	0	0	0
Total Appropriation	67,183,011	62,520,202	68,403,173	66,175,712	90,260,545	94,122,627	3,862,082
Operating Transfers Out	6,235,825	7,059,078	6,262,212	5,785,344	6,785,344	6,065,418	(719,926)
Total Requirements	73,418,836	69,579,280	74,665,385	71,961,056	97,045,889	100,188,045	3,142,156
<b>Sources</b>							
Taxes	0	0	0	0	0	0	0
Realignment	0	0	0	0	0	0	0
State, Fed or Gov't Aid	0	0	0	0	0	0	0
Fee/Rate	67,268,843	68,078,017	84,186,876	87,478,412	87,805,500	101,728,000	13,922,500
Other Revenue	2,334,747	3,075,228	3,786,298	1,382,271	1,783,685	1,377,819	(405,866)
Total Revenue	69,603,590	71,153,245	87,973,174	88,860,683	89,589,185	103,105,819	13,516,634
Operating Transfers In	0	(60,720,621)	0	0	0	0	0
Total Sources	69,603,590	10,432,624	87,973,174	88,860,683	89,589,185	103,105,819	13,516,634
<b>Net Position</b>							
Use of/ (Contribution to) Net Position**	3,815,246	59,146,656	(13,307,789)	(16,899,627)	7,456,704	(2,917,774)	(10,374,478)
Est. Net Position Available					0	27,274,105	27,274,105
Total Net Position					7,456,704	24,356,331	16,899,627
Budgeted Staffing*	0	0	0	0	0	0	0

\*Data represents modified budgeted staffing

\*\* Contribution to Net Position appears as a negative number and increases Estimated Net Position Available.

## MAJOR EXPENDITURES AND REVENUE IN 2015-16 RECOMMENDED BUDGET

Requirements of \$100.2 million include judgment and settlement costs, medical treatment and expenses, temporary disability and loss earnings, property insurance, and legal defense services.

Sources of \$103.1 million primarily include Board of Supervisor's approved premiums paid by departments, Board-Governed Special Districts, and County Service Areas.

## BUDGET CHANGES AND OPERATIONAL IMPACT

Requirements are increasing by \$3.1 million due to an increase in ongoing costly settlements and increased liability claim experience. Additionally, there are increased medical claims costs in workers' compensation.

Sources are increasing by \$13.5 million primarily due to additional premium allocations to the Law Enforcement Liability, General Liability, Auto Liability, and Workers' Compensation Programs to achieve the 80% confidence level of funding. It also includes a slight decrease in anticipated interest revenue and insurance recoveries.

## ANALYSIS OF NET POSITION

For 2015-16 the Department's insurance programs budget has an estimated net position available of \$27.3 million which includes the beginning net position of \$24.4 million plus the anticipated contribution to net position of \$2.9 million. Net position supports the insurance programs in maintaining and reaching the 80% confidence level of funding as recommended by annual actuarial studies.



## **STAFFING CHANGES AND OPERATIONAL IMPACT**

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

