RESOLUTION - ACTION REQUESTED 2017-94
MEETING: February 28, 2017
TO: The Board of Supervisors
FROM: Steve Johnson, Human Resources Director - Risk Manager
RE: Excess Liability and Excess WC Actuarial Studies

RECOMMENDATION AND JUSTIFICATION:
Authorize Bickmore Risk Services to perform an actuarial study of the County's self-insured Liability and Excess Workers' Compensation Programs at a cost of $4,500. Mariposa County is a member of the California State Association of Counties-Excess Insurance Authority (CSAC-EIA) and participates in the CSAC-EIA's General Liability I and the Excess Workers' Compensation Programs. The County is required to have an actuarial study of each of these programs every three years and although it has only been almost two years since the last studies, a more frequent evaluation of self-insured funding levels is a sound fiscal practice.

The CSAC-EIA supports and encourages actuarial studies and provides a subsidy to help offset the cost of these studies. In addition, they have been able to negotiate a pricing agreement with Bickmore Risk Services for all EIA member counties. The cost for a full study is $4,250 for the Liability Program and $4,250 for the Excess Workers' Compensation Program, however, the EIA will provide a $4,000 subsidy if Bickmore Risk Services performs the studies ($2,000 for the General Liability I Program and $2,000 for the Excess Workers' Compensation Program).

As mentioned above, the EIA contracts with Bickmore Risk Services and the County is a member of the EIA pool of counties through a Joint Powers Agreement (JPA). An agreement between the County and Bickmore is not needed with this action by virtue of the County's participation in the JPA.

BACKGROUND AND HISTORY OF BOARD ACTIONS:
In April 2015, the Board authorized that an actuarial study be done by Bickmore for both the Liability and Excess Workers' Compensation Programs at a cost of $4,500.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:
Do not authorize an actuarial study of the County's Liability and Excess Workers' Comp Programs at this two-year interval and await the EIA required three years to have the studies performed to determine the County's self-insured funding levels.

FINANCIAL IMPACT:
There is sufficient funding in Risk Management funds for the actuarial studies.

CAO RECOMMENDATION
Requested Action Recommended

Dallin Kimble
Dallin Kimble, Interim CAO 2/23/2017

RESULT: ADOPTED BY CONSENT VOTE [UNANIMOUS]
MOVER: Merlin Jones, District II Supervisor
SECONDER: Rosemarie Smallcombe, District I Supervisor
AYES: Miles Menetrey, Rosemarie Smallcombe, Merlin Jones, Marshall Long
EXCUSED: Kevin Cann