
Self-Insurance Program Overview

SELF-FUNDED INSURANCE PLANS

The District is partially self-insured for general liability and workers' compensation. The General Liability and Property program and the Workers' Compensation program have been in existence since 1979. The annual in-lieu premiums and charges to the Revenue Areas or Operating Divisions are the revenue sources within these programs. Expenses primarily consist of settlement claims, legal fees and excess loss insurance premiums. Ending Reserve Balances are projected at \$57,500,000 in FY 2008-09 and \$57,000,000 in FY2009-10.

General Liability and Property

- The District's current outside excess general liability insurance coverage is \$25 million with a self-insured retention of \$250,000.
- The District's current property insurance coverage is \$1 billion for perils of fire and \$300 million for perils of flood, subject to a self-insured retention of \$25,000 for fire and \$100,000 for flood. The District is completely self-insured for earthquake.
- In order to maintain a reserve balance of \$55.5 million for FY 2008-09 and \$55.0 million for FY 2009-10 for the Property and General Liability program, appropriations for in-lieu premiums charged to the Revenue Areas are recommended at \$912,100 and \$1,082,100 for FY 2008-09 and FY 2009-10, respectively.

Workers' Compensation

- The District's current outside excess workers' compensation coverage is \$300 million with a self-insured retention of \$500,000 per occurrence.
- In order to maintain the reserve balance of \$2 million for the Workers' Compensation program, appropriations for in-lieu premiums charged to operating divisions are recommended at \$108,100 and \$535,000 for FY 2008-09 and FY 2009-10, respectively.

2008-09 & 2009-10 Budget

Total of the Self-Insurance Programs

DESCRIPTION OR ACCOUNT TITLE	2006-07 Actuals	2007-08 Budget	2007-08 Projected	2008-09 Proposed	2009-10 Proposed
Beginning Reserves	\$ 57,828,172	\$ 57,000,000	\$ 57,532,300	\$ 58,451,900	\$ 57,500,000
<u>Revenues</u>					
In-Lieu Premiums	1,776,900	2,557,600	2,557,600	1,020,200	1,617,100
Miscellaneous Other Revenue	5,063	-	10,000	-	-
Claims Reimbursement from Other Funds	-	10,000	-	-	-
Service Department Allocation	47,004	47,000	47,000	24,100	24,100
Total Revenues	1,828,967	2,614,600	2,614,600	1,044,300	1,641,200
<u>Expenses</u>					
Benefits/Claims	299,052	400,000	300,000	425,000	450,000
Contractual Services	18,231	31,200	21,200	31,200	31,200
Legal Services	388,565	350,000	280,000	335,000	335,000
Professional Services	3,052	30,000	1,500	15,000	15,000
Subtotal	708,900	811,200	602,700	806,200	831,200
Policy Premium Expense	1,415,976	1,803,400	1,092,310	1,190,000	1,310,000
Total Expenses	2,124,876	2,614,600	1,695,010	1,996,200	2,141,200
Excess Revenue (Expenses)	(295,909)	-	919,590	(951,900)	(500,000)
Ending Reserves	\$ 57,532,263	\$ 57,000,000	\$ 58,451,890	\$ 57,500,000	\$ 57,000,000

Self-Insurance Program

General Liability and Property Self-Insurance Program

DESCRIPTION OR ACCOUNT TITLE	2006-07 Actuals	2007-08 Budget	2007-08 Projected	2008-09 Proposed	2009-10 Proposed
Beginning Reserves	\$ 55,546,842	\$ 55,000,000	\$ 55,292,500	\$ 56,070,000	\$ 55,500,000
<u>Revenues</u>					
In-Lieu Premiums	1,466,800	1,998,200	1,998,200	912,100	1,082,100
Miscellaneous Other Revenue	-	-	10,000	-	-
Claims Reimbursement from Other Funds	-	10,000	-	-	-
Service Department Allocation	47,004	47,000	47,000	24,100	24,100
Total Revenues	1,513,804	2,055,200	2,055,200	936,200	1,106,200
<u>Expenses</u>					
Benefits/Claims	183,361	200,000	100,000	200,000	200,000
Contractual Services	1,200	1,200	1,200	1,200	1,200
Legal Services	366,333	300,000	250,000	300,000	300,000
Professional Services	3,052	5,000	1,500	5,000	5,000
Subtotal	553,946	506,200	352,700	506,200	506,200
Policy Premium Expense	1,214,230	1,549,000	925,000	1,000,000	1,100,000
Total Expenses	1,768,176	2,055,200	1,277,700	1,506,200	1,606,200
Excess Revenue (Expenses)	(254,372)	-	777,500	(570,000)	(500,000)
Ending Reserves	\$ 55,292,470	\$ 55,000,000	\$ 56,070,000	\$ 55,500,000	\$ 55,000,000

2008-09 & 2009-10 Budget

Workers' Compensation Self-Insurance Program

DESCRIPTION OR ACCOUNT TITLE	2006-07 Actuals	2007-08 Budget	2007-08 Projected	2008-09 Proposed	2009-10 Proposed
Beginning Reserves	\$ 2,281,330	\$ 2,000,000	\$ 2,239,800	\$ 2,381,900	\$ 2,000,000
<u>Revenues</u>					
In-Lieu Premiums	310,100	559,400	559,400	108,100	535,000
Miscellaneous Other Revenue	5,063	-	-	-	-
Service Department Allocation	-	-	-	-	-
Total Revenues	315,163	559,400	559,400	108,100	535,000
<u>Expenses</u>					
Benefits/Claims	115,691	200,000	200,000	225,000	250,000
Contractual Services	17,031	30,000	20,000	30,000	30,000
Legal Services	22,232	50,000	30,000	35,000	35,000
Professional Services	-	25,000	-	10,000	10,000
Subtotal	154,954	305,000	250,000	300,000	325,000
Policy Premium Expense	201,746	254,400	167,310	190,000	210,000
Total Expenses	356,700	559,400	417,310	490,000	535,000
Excess Revenue (Expenses)	(41,537)	-	142,090	(381,900)	-
Ending Reserves	\$ 2,239,793	\$ 2,000,000	\$ 2,381,890	\$ 2,000,000	\$ 2,000,000