



BOARD OF DIRECTORS

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Meeting Location:
County of Tulare
Board of Supervisors Chambers
2800 W. Burrel Avenue
Visalia, CA 93291
December 15, 2017 9:00 AM

AGENDA DATE: December 15, 2017

ITEM NUMBER: Item 15

SUBJECT: Receive Consultant’s Report Update on Loan Repayment and Reserve Funding Options and Provide Direction to Staff (A)

REQUEST(S): That the Board review and provide further direction in developing the SJVIA loan repayment for the County of Fresno and the County of Tulare, IBNR reserve funding, and stabilization reserve funding.

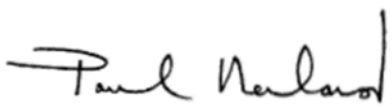
DESCRIPTION:

To maintain financial solvency for the SJVIA, the County of Tulare and the County of Fresno provided loans to the SJVIA of \$4,000,000 and \$5,000,000 respectively. The SJVIA Board requested that Keenan develop a loan repayment policy. Additionally, the SJVIA has an unfunded IBNR reserve and no stabilization reserve for adverse claim activity. Keenan developed loan repayment and reserve funding options which provided a basis to develop the loan repayment and reserve establishment policies.

FISCAL IMPACT/FINANCING:

Loan repayment of \$9,000,000, IBNR reserve establishment of \$5,703,223, and a one month stabilization reserve of \$5,925,130 for a total of \$20,628,353 to be funded over multiple years, depending on the option selected.

ADMINISTRATIVE SIGN-OFF:



 Paul Nerland
 SJVIA Manager



 Rhonda Sjostrom
 SJVIA Assistant Manager