

**BOARD OF DIRECTORS**

ANDREAS BORGEAS  
KUYLER CROCKER  
NATHAN MAGSIG  
BUDDY MENDES  
BRIAN PACHECO  
PETE VANDER POEL  
J. STEVEN WORTHLEY

**Meeting Location:**  
**County of Fresno**  
**Fresno County Board of Supervisors**  
**Chambers**  
**2281 Tulare Street, #301**  
**Fresno, CA 93721**

**AGENDA DATE:** July 20, 2018

**ITEM NUMBER:** Item 17

**SUBJECT:** Receive Consultant's Report on Reserve Accumulation and Provide Direction in Regard to the 2019 Renewal Development (A)

**REQUEST(S):** That the Board receive and provide direction on the Reserve Accumulation and its application to the build-up of the IBNR Reserve, Stabilization Reserve, and Loan Repayment.

**DESCRIPTION:**

To maintain financial solvency for the SJVIA, the Board has directed Keenan to provide a strategy for the reserve accumulation of the IBNR reserve, stabilization reserve, and loan repayment. Keenan has developed a strategy where the SJVIA Board will give direction twice a year: 1) In conjunction with the renewal, and 2) after the close of the year when the SJVIA Auditor can verify reserve accumulations.

**FISCAL IMPACT/FINANCING:**

The SJVIA is looking to establish a \$20,792,323 reserve to fund the loan repayment of \$9,163,970, IBNR reserve of \$5,703,223, and a one-month stabilization reserve of \$5,925,130.

**ADMINISTRATIVE SIGN-OFF:**



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Paul Nerland  
SJVIA Manager



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Rhonda Sjostrom  
SJVIA Assistant Manager