



BOARD OF DIRECTORS

KUYLER CROCKER
NATHAN MAGSIG
BUDDY MENDES
BRIAN PACHECO
AMY SHUKLIAN
PETE VANDER POEL

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

AGENDA DATE: February 22, 2019

ITEM NUMBER: Item 14

SUBJECT: Receive Consultant’s Report on Proposed Change to Risk Share Model for Consideration to Adopt in the 2020 Renewal (I)

REQUEST(S): That the Board receive report on proposed change to risk share model for consideration to adopt in the 2020 renewal.

DESCRIPTION:

Report revisits a risk share pool arrangement for the SJVIA with the County of Fresno at \$250,000, the County of Tulare at \$200,000, and the City of Marysville at \$75,000 to the reinsurance level of \$450,000 to allow greater rate stability for 2020.

FISCAL IMPACT/FINANCING:

Based on the 2018 model, The County of Tulare would have realized a 0.5% rate reduction and the SJVIA would have established a \$582,826 reserve for future risk sharing. Over time it could be possible to build reserves to a level where the SJVIA completely self-funds the risk share model and only recuperates deficits through rate funding. It should be noted that the risk share reserve buildup would have a dollar for dollar impact on the SJVIA’s overall reserve buildup.

ADMINISTRATIVE SIGN-OFF:



Paul Nerland
SJVIA Manager



Rhonda Sjostrom
SJVIA Assistant Manager