



BOARD OF DIRECTORS

STEVE BRANDAU

KUYLER CROCKER

NATHAN MAGSIG

BUDDY MENDES

BRIAN PACHECO

AMY SHUKLIAN

PETE VANDER POEL

**Meeting Location:
County of Tulare
Board of Supervisors Chambers
2800 W. Burrel Avenue
Visalia, CA 93291**

AGENDA DATE: September 4, 2020

ITEM NUMBER: Item 11

SUBJECT: Receive and Accept Consultant's SJVIA Actuarially Certified Incurred But Not Reported Reserve Report as of June 30, 2020 and maintain the Fully-Funded Status of the IBNR Reserve (A)

REQUEST(S): That the Board receive the Consultant's SJVIA Actuarially Certified IBNR Report as of June 30, 2020 and approve a reduction of \$15,107 from the IBNR reserve to maintain the fully-funded status at \$7,081,313.

DESCRIPTION:

IBNR reserve calculates the outstanding liability for claims that have been incurred but have not yet been paid. The SJVIA has, as one of its goals, to fully fund this liability. The SJVIA - County of Fresno and the SJVIA - County of Tulare's IBNR reserve has been calculated based off actuarial models.

The City of Marysville (which terminated December 31, 2019) is too small to run through the actuarial model. Keenan's actuary estimated an IBNR reserve of \$89,400 as of January 1, 2020 with realized paid claims in 2020 of \$14,297, leaving an unrealized IBNR reserve of \$75,103 for City of Marysville and all other cities claims runout.

FISCAL IMPACT/FINANCING:

The IBNR reserve liability for the self-funded medical, prescription drugs, and the dental PPO coverage program decreased \$15,107 from \$7,096,420 on the December 31, 2019 valuation date to \$7,081,313 on the June 30, 2020 valuation date. The June 30, 2020 valuation amount includes a 15% margin.

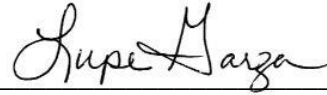
AGENDA: San Joaquin Valley Insurance Authority

DATE: September 4, 2020

ADMINISTRATIVE SIGN-OFF:



Paul Nerland
SJVIA Manager



Lupe Garza
SJVIA Assistant Manager