



BOARD OF DIRECTORS

- STEVE BRANDAU
- NATHAN MAGSIG
- BUDDY MENDES
- LARRY MICARI
- 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: August 27, 2021

ITEM NUMBER: Item 11

SUBJECT: Receive Consultant’s Report on Reserve Accumulation and Approve Recommendation to Increase the Stabilization Reserve to Three Months (A)

REQUEST(S): That the Board review the current stabilization reserve level and approve funding to increase the stabilization reserve to three months.

DESCRIPTION:

To ensure the SJVIA has sufficient funds available to cover adverse claim cost fluctuation and other related expenses, a two-month stabilization reserve was established by the SJVIA Board. SJVIA staff requests the Board increase the stabilization reserve requirement to three months and maintain that standard to allow rate relief in the 2022 renewal and future renewals.

FISCAL IMPACT/FINANCING:

An additional \$6,224,086 would be set aside in the stabilization reserve to accommodate a three-month accumulation.

ADMINISTRATIVE SIGN-OFF:

Hollis Magill
SJVIA Manager

Lupe Garza
SJVIA Assistant Manager