



July 18, 2019

Board of Directors
Ventura Regional Sanitation District
Ventura, California

AUTHORIZE A FISCAL YEAR 2019-20 BUDGET INCREASE FOR WORKERS' COMPENSATION INSURANCE

RECOMMENDATION

Authorize a budget increase in the amount of \$128,602 needed to fund the California Sanitation Risk Management Authority (CSRMA) workers' compensation insurance premium for July 1, 2019 through June 30, 2020.

FISCAL IMPACT

The additional insurance expense in the amount of \$128,602 will be budgeted under account code 25-100-51224-100100.

BACKGROUND/ANALYSIS

The District's approved budget for fiscal year 2019-20 includes \$323,763 for workers' compensation insurance expense based on rates available at the time of budget preparation. This amount represents both the estimated worker's compensation for the upcoming fiscal year in the amount of \$302,670, as well as a budgeted retroactive adjustment in the amount of \$21,093.

On July 3, 2019, the District received the renewal notice which outlined the deposit premium to be \$339,670, plus a retro adjustment in the amount of \$112,695. The increase was largely due to an overall increase in total costs by approximately 10.3%, due to loss development in the most recent five program years, an overall increase in payroll, and an expected increase in the State Workers' Compensation Fraud Assessment charge.

The retrospective rate adjustment was impacted by adverse claim development in previous years.

This letter has been reviewed by Legal Counsel as to form.

If you should have any questions or need additional information, please contact me by phone at (805) 658-4646 or via email at tinarivera@vrsd.com.



ALVERTINA RIVERA, DIRECTOR OF FINANCE

APPROVED FOR AGENDA:



Chris Theisen, General Manager

Attachments: None