

SELF-FUNDED INSURANCE

Fund 476-000

The fund accounts for risk financing activities. Revenue comes from the Tort Immunity Fund to cover costs relevant to the County's General Corporate Fund departments; and from billings to various County Special Revenue Funds to cover their representative share of cost. The Self-Funded Insurance Fund provides financing for the County's auto liability and property, general liability, unemployment and worker's compensation claims payments, and for stop-loss insurance premiums for auto, liability, property, unemployment and workers compensation.

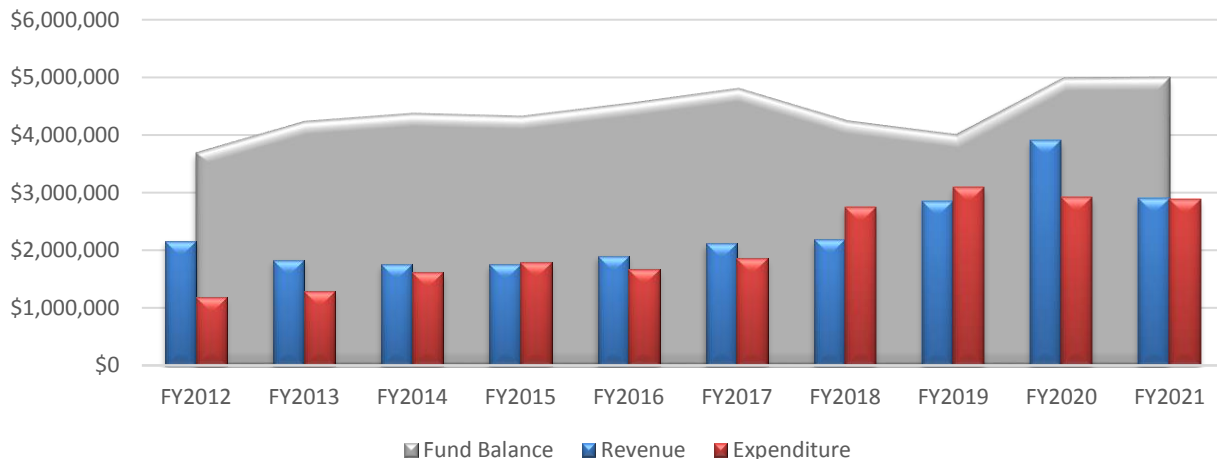
In FY1986, the county established a self-funded worker's compensation insurance plan which was accounted for in the Tort Immunity (Special Revenue) Fund through FY1992. In 1993, the County created a separate internal service fund – the Self-Funded Insurance Fund and moved self-funded worker's compensation to that fund. The County also began self-funding liability and auto insurance in 1994 through the Self-Funded Insurance Fund. The billings to various funds for the self-funded portion of worker's compensation, general liability and auto liability are based upon projections provided through an actuarial study documenting the County's Loss Reserve and Funding Analysis.

BUDGET HIGHLIGHTS

In FY2018 and FY2019, there was a significant drop in the fund balance due to expenditures exceeding revenues as a result of settling Nursing Home claims, the Nursing Home fund's inability to reimburse this fund for self-funded insurance costs, and the fund having to pay for insurance expenditures traditionally paid by the home. Historically, the Self-Funded Insurance fund has experienced revenue in excess of, or equal to, expenditures. This results from the fact that actual claims paid have been lower than budgeted based on the actuarial report, and thus billings to the outside funds based on the actuarial estimates and worker's compensation rates generated revenue in excess of actual expenditure.

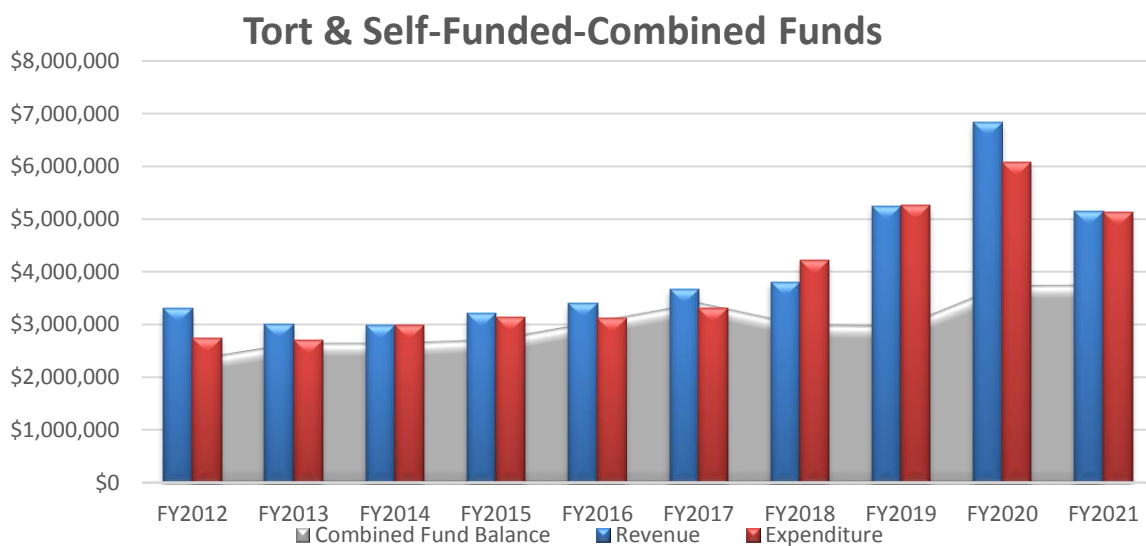
As of June 2020, the Nursing Home fund owed the Self-Funded Insurance fund a total of \$2.2 million. In FY2020 the liability levy includes \$1.32 million that was reallocated under PTELL from the Nursing Home operating levy for outstanding amounts owed by the Home that will be transferred to the Self-Funded Insurance fund to go towards the Home's obligations owed to the Self-Funded Insurance fund. This will provide some restoration to the fund balance.

Self-Funded Insurance



Self-Funded Insurance is in a combined fund with Tort Immunity, which has a fund balance deficit (see the Tort Immunity Fund Budget Document 076-075). Combining the funds allows the fund balance surplus in the Self-Funded Insurance Fund to absorb the fund balance deficit in the Tort Immunity Fund. The following chart depicts the combined revenues and expenditures for the Tort Immunity Fund and Self-Funded Insurance Fund, exhibiting the actual fund balance available for Self-Funded operations.

The following chart depicts the combined revenues and expenditures for Tort Immunity and Self-Funded Insurance and shows the actual fund balance available for Self-Funded operations. The significant increase in revenues reflected in FY2020 is the result of the former Nursing Home levy being utilized to reimburse the fund for obligations owed to the fund. Even with the amounts paid to this fund from reallocation of the levy in FY2018 and FY2019, there will still be an outstanding amount owed from the Home to the Self-Funded Insurance fund for claims against the Home.



FINANCIAL

Fund 476 Summary			2019 Actual	2020 Original	2020 Projected	2021 Budget
341	8	PROPERTY/LIAB INS BILLING	\$1,019,731	\$1,338,662	\$1,338,662	\$1,691,402
341	9	WORKERS COMP INS BILLINGS	\$1,085,576	\$981,727	\$981,727	\$947,407
		FEES AND FINES	\$2,105,307	\$2,320,389	\$2,320,389	\$2,638,809
361	10	INVESTMENT INTEREST	\$47,733	\$40,000	\$20,000	\$10,000
369	80	INSURANCE CLAIMS REIMB	\$0	\$0	\$1,200	\$0
369	90	OTHER MISC. REVENUE	\$27,628	\$0	\$958	\$0
		MISCELLANEOUS	\$75,361	\$40,000	\$22,158	\$10,000
371	76	FROM TORT IMMUNITY FND076	\$439,285	\$1,322,382	\$1,322,382	\$0
381	17	UNEMPLOYMENT INS REIMB	\$225,814	\$240,000	\$240,000	\$250,000
		INTERFUND REVENUE	\$665,099	\$1,562,382	\$1,562,382	\$250,000
REVENUE TOTALS			\$2,845,767	\$3,922,771	\$3,904,929	\$2,898,809

Fund 476 Summary			2019 Actual	2020 Original	2020 Projected	2021 Budget
513	4	WORKERS' COMPENSATION INS	\$256,682	\$279,800	\$200,000	\$225,000
513	14	WKRS COMP SELF-FUND CLAIM	\$480,367	\$688,755	\$688,755	\$702,092
		PERSONNEL	\$737,049	\$968,555	\$888,755	\$927,092
522	1	STATIONERY & PRINTING	\$0	\$50	\$0	\$0
		COMMODITIES	\$0	\$50	\$0	\$0
533	1	AUDIT & ACCOUNTING SERVCS	\$13,000	\$0	\$0	\$14,000
533	3	ATTORNEY/LEGAL SERVICES	\$355,276	\$250,000	\$250,000	\$232,104
533	20	INSURANCE	\$1,257,818	\$967,171	\$967,171	\$1,100,000
533	26	PROPERTY LOSS/DMG CLAIMS	\$18,125	\$40,000	\$100,000	\$40,000
533	95	CONFERENCES & TRAINING	\$0	\$400	\$0	\$0
534	80	AUTO DAMAGE/LIAB CLAIMS	\$55,267	\$52,762	\$200,000	\$55,640
534	81	GENERAL LIABILITY CLAIMS	\$630,001	\$472,014	\$492,014	\$500,000
		SERVICES	\$2,329,487	\$1,782,347	\$2,009,185	\$1,941,744
571	80	TO GENERAL CORP FUND 080	\$18,991	\$19,683	\$19,663	\$19,973
		INTERFUND EXPENDITURE	\$18,991	\$19,683	\$19,663	\$19,973
EXPENDITURE TOTALS			\$3,085,527	\$2,770,635	\$2,917,603	\$2,888,809

FUND BALANCE

FY2019 Actual	FY2020 Projected	FY2021 Budgeted
\$4,001,817	\$4,989,143	\$4,999,143

COMBINED FUND BALANCE (TORT IMMUNITY AND SELF-FUNDED INSURANCE)

FY2019 Actual	FY2020 Projected	FY2021 Budgeted
\$2,982,434	\$3,737,505	\$3,747,505

Per the County's Financial Policies, the County will strive to maintain the actuary recommended fund balance. Per the County's current actuarial study, the discounted actuarial central estimate of unpaid claim liability is \$3.13 million for the period ending December 31, 2021.

PROPERTY LIABILITY INSURANCE

Fund 476-118

The Property Liability Insurance budget receives revenues and appropriates expenditures for the County's property and liability self-funded claims, and for stop-loss insurance premiums.

FINANCIAL

Fund 476 Dept 118			2019 Actual	2020 Original	2020 Projected	2021 Budget
341	8	PROPERTY/LIAB INS BILLING FEES AND FINES	\$1,019,731 \$1,019,731	\$1,338,662 \$1,338,662	\$1,338,662 \$1,338,662	\$1,691,402 \$1,691,402
369	80	INSURANCE CLAIMS REIMB	\$0	\$0	\$1,200	\$0
369	90	OTHER MISC. REVENUE	\$27,628	\$0	\$958	\$0
		MISCELLANEOUS	\$27,628	\$0	\$2,158	\$0
371	76	FROM TORT IMMUNITY FND076	\$439,285	\$1,322,382	\$1,322,382	\$0
381	17	UNEMPLOYMENT INS REIMB	\$225,814	\$240,000	\$240,000	\$250,000
		INTERFUND REVENUE	\$665,099	\$1,562,382	\$1,562,382	\$250,000
REVENUE TOTALS			\$1,712,458	\$2,901,044	\$2,903,202	\$1,941,402
533	1	AUDIT & ACCOUNTING SERVCS	\$6,500	\$0	\$0	\$7,000
533	3	ATTORNEY/LEGAL SERVICES	\$355,276	\$250,000	\$250,000	\$232,104
533	20	INSURANCE	\$1,257,818	\$967,171	\$967,171	\$1,100,000
533	26	PROPERTY LOSS/DMG CLAIMS	\$18,125	\$40,000	\$100,000	\$40,000
533	95	CONFERENCES & TRAINING	\$0	\$400	\$0	\$0
534	80	AUTO DAMAGE/LIAB CLAIMS	\$55,267	\$52,762	\$200,000	\$55,640
534	81	GENERAL LIABILITY CLAIMS SERVICES	\$630,001 \$2,322,987	\$472,014 \$1,782,347	\$492,014 \$2,009,185	\$500,000 \$1,934,744
571	80	TO GENERAL CORP FUND 080	\$6,330	\$6,561	\$6,561	\$6,658
		INTERFUND EXPENDITURE	\$6,330	\$6,561	\$6,561	\$6,658
EXPENDITURE TOTALS			\$2,329,317	\$1,788,908	\$2,015,746	\$1,941,402

WORKER'S COMPENSATION INSURANCE

Fund 476-119

The Worker's Compensation Insurance budget receives revenues and appropriates expenditures for the County's worker's compensation self-funded claims, and for stop-loss insurance premiums.

FINANCIAL

Fund 476 Dept 119			2019 Actual	2020 Original	2020 Projected	2021 Budget
341	9	WORKERS COMP INS BILLINGS FEES AND FINES	\$1,085,576 \$1,085,576	\$981,727 \$981,727	\$981,727 \$981,727	\$947,407 \$947,407
361	10	INVESTMENT INTEREST MISCELLANEOUS	\$47,733 \$47,733	\$40,000 \$40,000	\$20,000 \$20,000	\$10,000 \$10,000
REVENUE TOTALS			\$1,133,309	\$1,021,727	\$1,001,727	\$957,407
513	4	WORKERS' COMPENSATION INS	\$256,682	\$279,800	\$200,000	\$225,000
513	14	WKRS COMP SELF-FUND CLAIM PERSONNEL	\$480,367 \$737,049	\$688,755 \$968,555	\$688,755 \$888,755	\$702,092 \$927,092
522	1	STATIONERY & PRINTING COMMODITIES	\$0 \$0	\$50 \$50	\$0 \$0	\$0 \$0
533	1	AUDIT & ACCOUNTING SERVCS SERVICES	\$6,500 \$6,500	\$0 \$0	\$0 \$0	\$7,000 \$7,000
571	80	TO GENERAL CORP FUND 080 INTERFUND EXPENDITURE	\$12,661 \$12,661	\$13,122 \$13,122	\$13,102 \$13,102	\$13,315 \$13,315
EXPENDITURE TOTALS			\$756,210	\$981,727	\$901,857	\$947,407

EMPLOYEE HEALTH AND LIFE INSURANCE

Fund 620-120

This internal service fund receives revenues comprised of employer and employee contributions and appropriates expenditures for administration of the County's group health and life insurance plans.

The FY2020 premium increase was 4.53%, which is comprised of a 2.44% plan increase and 2.09% increase for ACA fees. In FY2021 the increase was 6.92%.

In December 2019, the Nursing Home fund paid \$281,742 of the \$738,209 owed to the Health Insurance fund. The outstanding amount now owed is \$456,467. The FY2020 budget includes appropriation for the remaining outstanding balance to be paid if there are funds available at the end of the year.

FINANCIAL

Fund 620 Dept 120			2019 Actual	2020 Original	2020 Projected	2021 Budget
361	10	INVESTMENT INTEREST	\$46	\$0	\$0	\$0
369	30	LATE CHARGE, NSF CK CHG	\$10	\$0	\$20	\$0
369	46	EMPLOYEE CONTRIBUTIONS	\$1,565,171	\$1,741,963	\$1,600,000	\$1,725,000
369	50	MUNICIPALITY CONTRIB.	\$4,456,498	\$5,225,887	\$4,965,000	\$5,229,350
369	90	OTHER MISC. REVENUE	\$60	\$0	\$30	\$0
		MISCELLANEOUS	\$6,021,785	\$6,967,850	\$6,565,050	\$6,954,350
371	81	FROM NURSING HOME FND 081	\$281,742	\$0	\$456,467	\$0
		INTERFUND REVENUE	\$281,742	\$0	\$456,467	\$0
		REVENUE TOTALS	\$6,303,527	\$6,967,850	\$7,021,517	\$6,954,350
513	6	EMPLOYEE HEALTH/LIFE INS	\$6,085,120	\$6,900,000	\$6,500,000	\$6,900,000
513	22	FLEX SPENDING ACCT FEES	\$4,408	\$6,250	\$4,000	\$6,250
513	23	BENEFITS MANAGEMENT FEES	\$45,000	\$45,000	\$45,000	\$45,000
		PERSONNEL	\$6,134,528	\$6,951,250	\$6,549,000	\$6,951,250
522	1	STATIONERY & PRINTING	\$0	\$100	\$0	\$100
522	2	OFFICE SUPPLIES	\$135	\$100	\$0	\$100
		COMMODITIES	\$135	\$200	\$0	\$200
533	1	AUDIT & ACCOUNTING SERVCS	\$0	\$15,500	\$16,100	\$2,000
533	84	BUSINESS MEALS/EXPENSES	\$1,122	\$850	\$0	\$850
533	95	CONFERENCES & TRAINING	\$0	\$50	\$0	\$50
		SERVICES	\$1,122	\$16,400	\$16,100	\$2,900
		EXPENDITURE TOTALS	\$6,135,785	\$6,967,850	\$6,565,100	\$6,954,350

FUND BALANCE

FY2019 Actual	FY2020 Projected	FY2021 Budgeted
\$103,469	\$559,886	\$559,886

The Fund Balance Goal is \$1,000,000 to allow the County flexibility in negotiating with providers or to consider self-funding of health insurance at some point in the future.