



# Napa County

## Board Agenda Letter

1195 THIRD STREET  
SUITE 310  
NAPA, CA 94559  
www.napacounty.gov  
Main: (707) 253-4580

Board of Supervisors

**Agenda Date:** 12/6/2022

**File ID #:** 22-2193

**TO:** Board of Supervisors  
**FROM:** David Morrison, Interim County Executive Officer  
**REPORT BY:** Kerry John Whitney, Risk and Emergency Services Manager  
**SUBJECT:** Budget Adjustment for Workers Compensation Fund

### **RECOMMENDATION**

Risk and Emergency Services Manager requests approval of a Budget Adjustment to increase appropriations in the amount of \$551,382 increasing appropriations in the Workers Compensation Fund (4402000-52710) Insurance Claims, offset by (4402000-33100) Available Fund Balance for increasing the confidence level. (4/5 vote required.)

### **EXECUTIVE SUMMARY**

The recommended budget adjustment amount is based on the county's current actuarial review which measures the probability that the Worker's Compensation Trust Fund will have enough money to cover all benefits and claims that have been incurred. The requested action ensures there is sufficient funds in the Insurance Claims account to meet the appropriate confidence level.

### **FISCAL & STRATEGIC PLAN IMPACT**

|                                         |                                              |
|-----------------------------------------|----------------------------------------------|
| Is there a Fiscal Impact?               | Yes                                          |
| Is it currently budgeted?               | Yes                                          |
| Where is it budgeted?                   | Worker's Compensation Available Fund Balance |
| Is it Mandatory or Discretionary?       | Choose an item.                              |
| Discretionary Justification:            | Click or tap here to enter text.             |
| Is the general fund affected?           | Choose an item.                              |
| Future fiscal impact:                   | Click or tap here to enter text.             |
| Consequences if not approved:           | Click or tap here to enter text.             |
| County Strategic Plan pillar addressed: | Effective and Open Government                |
| Additional Information                  | Click or tap here to enter text.             |

**ENVIRONMENTAL IMPACT**

ENVIRONMENTAL DETERMINATION: No.

**BACKGROUND AND DISCUSSION**

The recommended budget adjustment amount increases appropriations in the Worker's Compensation Fund Insurance Claims offset by the Worker's Compensations Available Fund Balance. The recommended budget adjustment amount is based on the county's current actuarial review, which measures the probability that the Worker's Compensation Trust Fund will have enough money to cover all benefits and claims that have been incurred. A confidence level is a statistical concept that expresses the degree of confidence that the total losses will be below or above a given amount in any specific period. The recommended confidence level is between 75% to 85%.