



Tuolumne JPA
Serving Schools Since 1980
ALPINE - AMADOR - CALAVERAS - TUOLUMNE

175 Fairview Lane
Sonora, CA 95370-4809

Phone: (209) 536-2035
Fax: (209) 533-9513
www.tuolumnejpa.org

Executive Director:
Norma Wallace

OFFICERS

President: Cathy A. Parker

Vice President: Jared Critchfield

Secretary: Michael S. Chimente

Treasurer: Elizabeth Rico

MEMBERS

Alpine County Office of Education
Alpine County Unified School District
Amador County Office of Education
Amador County Unified School District
Bellevue Elementary School
Big Oak Flat/Groveland Unified School District
Bret Harte Union High School District
Calaveras County Office of Education
Calaveras Unified School District
Columbia Union School District
Curtis Creek School District
Jamestown School District
Mark Twain Union Elementary School District
Sonora Elementary School
Sonora Union High School District
Soulsbyville Elementary School
Summerville Elementary School District
Summerville Union High School District
Tuolumne County Superintendent of Schools
Twain Harte School District
Vallecito Union School District

Date: May 07, 2020

To: TJPA Board Members & Alternates

From: Norma Wallace

Subject: Reporting requirements

Background

Education Code Section 42141 requires that, among other things, it a school district is self insured for workers compensation, either individually or as a member of a joint powers agency that it will publicly disclose on an annual basis the estimated accrued but unfunded cost of its workers compensation claims. The estimated accrued but unfunded costs of workers compensation claims must be based on actuarial report obtained by the district at least every three years.

Issue

Because the district is self insured for workers compensation through the Tuolumne JPA-a joint powers agency- premiums and claims are pooled with other Tuolumne JPA member districts. As a result, the burden to comply with reporting requirements required under this code section falls on the Tuolumne JPA rather than on the district. Accordingly, Tuolumne JPA hired AON Risk Consultants, Inc. to perform the actuarial. Based on the projected financial position of the Tuolumne JPA as of June 30, 2010, there were no estimated accrued but unfunded costs for any of the member districts (see attached memo).

Conclusion

The district has a letter from the Tuolumne JPA confirming that it has no estimated accrued but unfunded cost under the current workers compensation program. This should be distributed to your auditor annually.



To: Board Members and Alternates
 From: Norma Wallace
 Subject: Education Code 42141 Compliance as it Relates to Workers' Compensation

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- Jamestown School District
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Education Code 42141 requires school districts and county offices of education to publicly disclose certain information that affects their financial status. This legislation requires the following public disclosure:

If a district is self-insured for workers' compensation claims, either as an individual district or as a member of a joint powers agency, the district superintendent shall annually provide information to the governing board regarding the estimated accrued but unfunded cost of those claims. The estimate is to be based on an actuarial report obtained at least every three years. The information shall be presented by the superintendent at a public meeting of the governing board, and at that same meeting the board shall disclose, as a separate agenda item, whether or not it will reserve a sufficient amount of money in its budget to fund the present value of the accrued but unpaid workers' compensation claims or it is otherwise decreasing the amount in its workers' compensation reserve fund. The board will annually certify to the county superintendent the amount of money, if any, that it has decided to reserve in its budget for the cost of the benefits and/or the claims, and submit any necessary budget revisions to account for that reserve.

The Actuarial study performed by AON Risk Consulting, Inc. representing Tuolumne JPA's projected financial position as of June 30, 2020 is summarized in the following table.

Based on the Tuolumne JPA Actuarial Report as of December 31, 2019

	<u>Projected 6/30/2020</u>	<u>Actual 3/31/2020</u>
Projected funds available	\$10,787,107	\$10,980,858
Present value of estimated outstanding losses and ULAE at June 30, 2018-\$350K SIR	\$ 5,880,674	\$ 5,880,674
<u>Ending Financial Position</u>	<u>\$4,738,324</u>	<u>\$5,100,184</u>

The actuarial summary shows the Tuolumne JPA Workers Compensation program has a positive fund balance. The balance includes sufficient reserves to enable your district to be in full compliance with the workers' compensation portion of Education Code 42141 without making any excess contributions to the Tuolumne JPA. Please retain a copy of this memorandum for your district's auditors. The Tuolumne JPA administration will send a letter to your county superintendent confirming that your district is in compliance with the workers' compensation portion of Education Code 42141.

If you have any questions, please contact Norma Wallace at (209) 536-2035.