

**CALIFORNIA STATE UNIVERSITY  
RISK MANAGEMENT AUTHORITY**

**EXECUTIVE COMMITTEE  
RESOLUTION NO. 02-15 (EC)**

**Resolution Approving CSURMA Midterm Budget Amendment for FY 2014/15**

The Executive Committee of the California State University Risk Management Authority finds and determines that the FY 2014/15 operating budget shall be amended as follows:

Campus Risk Pools:

1. Decrease Liability Contributions by \$949,284 for member deductible selections effective July 1, 2014 to June 30, 2017.
2. Increase Reinsurance Premiums (negative revenue) to reclassify Property reinsurance (\$4,415,006).
3. Adjust Claim Payments & Legal Expenses and Reinsurance Recovery in Liability and Workers' Compensation per final actuary reports dated September 15, 2014, and AIME draft report dated July 31, 2014.
4. Increase Liability Insurance Premiums by \$18,187 (inclusive of 10% brokerage commission) for new Rocketry Liability insurance effective December 8, 2014 to June 30, 2016 (18 months). Cost is pro-rated for FY 14/15 and FY 15/16.
5. Increase Liability Workshop/Training Expenses by \$25,000 for portion of SkillSoft online library. Total cost is \$50,000; the \$25,000 remaining balance is allocated among the risk pools as applicable.
6. Increase Liability Loss Control by \$25,000 for additional consulting services.
7. Increase Liability Dividend Distribution by \$8,677,518 for amounts paid to campuses in November 2014.
8. Increase Workers' Compensation Premiums by \$12,073,333 for new CSAC-EIA WC program.

AORMA Risk Pools:

1. Increase Reinsurance Premiums (negative revenue) to reclassify Property reinsurance (\$1,546,476).
2. Adjust Claim Payments & Legal Expenses and Reinsurance Recovery in Liability and Workers' Compensation risk pools per updated actuary reports dated September 15, 2014.
3. Increase Workers' Compensation Taxes, Assessments & Fees to \$63,003 for total amount paid to DIR OSIP for FY 2014/15 self-insurers' assessments.
4. Increase Workers' Compensation Premiums by \$1,241,707 for new CSAC-EIA WC program.

The effect of the above adjustments decreases Total Revenue by \$6,910,766, increases Total Expenses by \$20,520,540, resulting Total Operating Revenue of \$86,920,561 (net of reinsurance premiums), Total Operating Expenses of \$99,322,346, and Non-Operating Income of \$2,500,000, resulting in a Net Deficit of \$9,901,785. The Ending Balance at June 30, 2015 is estimated to be \$50,833,976.

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In consideration of the foregoing findings and determinations,

IT IS RESOLVED by the Executive Committee of the California State University Risk Management Authority as follows:

The California State University Risk Management Authority does hereby amend the FY 2014/15 operating budget as presented herein.

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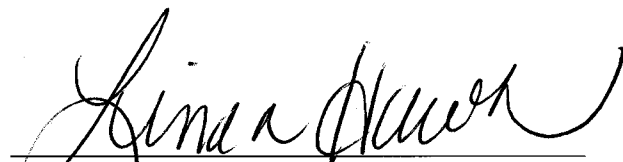
I hereby certify that the foregoing is a full, true and correct copy of a Resolution duly and regularly adopted and passed at a meeting of the Executive Committee of the California State University Risk Management Authority held on March 19, 2015 which was approved by the following votes:

AYES, and in favor thereof, members: George Ashkar, Lisa Chavez, Robert de Wit, Lori Gentles, Linda Hawk, Frank Mumford

NOES, members: None.

ABSTAIN, members: ~~None~~ Mike Lee

ABSENT, members: Mike Thorpe, ~~Mike Lee~~



Acting Chair  
Linda Hawk

ATTEST:



Secretary-Auditor  
Robert Eaton