



Las Vegas

Agenda Item No.: 3.

AGENDA SUMMARY PAGE
AUDIT OVERSIGHT COMMITTEE MEETING OF: AUGUST 3, 2006

DEPARTMENT: CITY AUDITOR
DIRECTOR: RADFORD SNELDING

Consent Discussion

SUBJECT: Discussion and possible action on an Actuarial Study of one of the City's self-insurance funds from 2002-2003 Annual Actuarial Recombination Follow-up CAO 2600-0304-05

Fiscal Impact:

- No Impact
- Budget Funds Available
- Augmentation Required

Dept./Division:
Amount:
Funding Source:

PURPOSE/BACKGROUND:

None

RECOMMENDATION:

None

BACKUP DOCUMENTATION:

Actuarial Valuation of Outstanding Benefit Costs Heart Disease, Lung Disease, and Hepatitis Claims as of June 30, 2004

Motion made by LARRY BROWN to Approve the report of the actuarial study with direction to the City Auditor to forward the study to the City Manager's Office so it may be addressed from a public policy standpoint with comments included for clarification.

Passed For: 4; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 1
MICHAEL W. KERN, PAUL WORKMAN, JOSE TRONCOSO, LARRY BROWN; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-LAWRENCE WEEKLY)

Minutes:

City Auditor Radford Snelding explained the history of this item. The actuarial study was first heard before this committee at the October 19, 2004 meeting. The committee was briefed at that time by Mr. Snelding who indicated that an issue was raised relating to the City's Self-Insurance Fund, specifically, the heart/lung claimants which represent only one percent of the gross number of claims and eighty-five percent of the total City reserves.

Mr. Snelding indicated that the Human Resources Director, Claudette Enus and the Insurance Services Manager, Vickie Robinson, were both present for questions.

Chairman Kern indicated the audit was started in April of 2003 and that the items identified as areas of concern related to that audit have been resolved. He felt the report was very well done

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and that it identified liabilities for the City. Mr. Vincent said he acknowledged the liabilities and considered them an ongoing expense to the City.

Member Workman was thankful to staff for a thorough briefing, which allowed him to really focus on this issue before the meeting.

Councilman Brown explained that the reason he kept asking this item was because he wanted Chairman Kern to be able to review the study to make sure it had been handled properly. Chairman Kern extended his apologies for having this held for so long. He confirmed for Councilman Brown that the body of work was exact and the study and audit were carried out correctly. Chairman Kern was comfortable with the report.

The Department of Human Resources has no open audit recommendations at this time.

