

BUTTE SCHOOLS SELF-FUNDED PROGRAMS

POLICIES & PROCEDURES MANUAL

Subject: **CALCUATION OF ANNUAL PRO-RATA PERCENTAGES FOR
RATE STABILIZATION FUND AND SURPLUS**

Section: **2.4**

Within one hundred and eighty (180) days after the close of the fiscal year, the Board of Directors shall determine, using generally accepted accounting and actuarial principles:

- (a) The total unappropriated surplus of the JPA.
- (b) The amount of contributions paid for the closed fiscal year by all members.
- (c) The ratio each member's contribution to the self-funded programs bears to the total contributions of all members in the self-funded programs. This ratio shall be used to determine the member's proportional share of surplus and/or rate stabilization.
- (d) The surplus for the most recent fiscal year will be netted against the surplus determined for all prior fiscal years.