BSSP shall establish and maintain equity levels for the net asset balance in all programs which are not fully-insured. The target equity level is the minimum net asset balance before any surplus equity or dividend distributions may be declared and is in addition to the estimate for amounts incurred but not paid (IBNP) and amounts incurred but not reported (IBNR) and estimated administrative costs thereon. The target equity shall be as follows:

**Self-Funded Employee Benefits**

Medical  
17% (approximately two months) of self-funded medical claims and administrative costs for the 12 months ended June 30

50% (approximately 6 months) of Health and Wellness Center operating costs for the 12 months ended June 30

Dental  
6% (approximately three weeks) of dental claims and administrative costs for the 12 months ended June 30

Vision  
6% (approximately three weeks) of dental claims and administrative costs for the 12 months ended June 30

**Property and Liability**

IBNP margin  
30% of June 30 IBNR at 80% confidence level

Stop loss  
Self-insured retention level for two property and two liability claim

**Workers Compensation**

IBNP margin  
30% of June 30 IBNR at 80% confidence level

Stop loss  
Self-insured retention level for five claims

**Administration**

75% (approximately 9 months) administrative costs for the 12 months ended June 30

Declarations of surplus or rate stabilization funds in accordance with Policy 2.4, Calculation of Surplus by Fiscal Year, and Policy 2.5, Rate Stabilization Fund Policy, shall not be made unless funds in excess of the target equity amounts outlined herein are available.