



# Board Agenda Item 30

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DATE: May 12, 2026

TO: Board of Supervisors

SUBMITTED BY: Hollis Magill, Director of Human Resources

SUBJECT: Recommendation to Merge the Vehicle Damage and Vehicle Total Loss Programs

RECOMMENDED ACTION(S):

**Approve the merger of Fresno County's Vehicle Damage and Vehicle Total Loss Programs into a single Auto Loss Program.**

There is no additional Net County Cost associated with the recommended action. This item would authorize the combining of the Vehicle Damage and Vehicle Total Loss programs into a single vehicle loss program, County Auto Loss Program, effective for the FY 2026-27 rates, approve the transfer of any program surplus, and authorize the transfer of the Vehicle Total Loss Program reserve balance. This item is countywide.

ALTERNATIVE ACTION(S):

The Board can elect not to merge the two programs into one program, which would keep things "as is" but would require the County Risk Management (Risk) to calculate rates to be charged to Departments to fund the Vehicle Damage Program reserve. A benefit of this merger now is that in FY 2026-27 departments will not be charged vehicle damage rates because the Vehicle Total Loss program has a surplus.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. As of June 30, 2025, the Vehicle Total Loss Program was funded at \$444,213.04 and the Vehicle Damage Program was funded at \$156,397.87. Merging the two programs would fund the County Auto Loss Program at \$600,610.91, less any losses in FY 2025-26. If the two programs are combined, reserves would be sufficient to cover program losses through June 30, 2027, with no vehicle program charges to County Departments for FY 2026-27.

DISCUSSION:

Historically, the County has managed two separate self-insurance programs: one for total vehicle loss replacement (established in 1985) and another for auto physical damage (established in 1997). These programs have been funded through the Risk Management Internal Service Fund (ISF), with departments paying rates based on their loss history and experience. This item proposes a restructuring of Fresno County's vehicle loss insurance programs.

Currently, Risk processes vehicle damage and total loss claims, reimbursing Fleet Services for repair or replacement costs. The proposed action seeks to merge these two programs into a single vehicle loss program, consolidating reserve accounts into a single loss reserve from which all vehicle loss claims will be paid. The program does not cover damage or loss to Fresno County Sheriff's Department vehicles.

A key benefit of this consolidation is that the Vehicle Total Loss Program Reserve currently has a surplus, which is sufficient to cover reserves for both programs through June 30, 2027. As a result, departments will not be charged vehicle damage rates for FY 2026-27, resulting in a savings for departments

CAO ANALYST:

Sevag Tateosian