

**PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT
(PRISM)**

BOARD OF DIRECTORS

MEETING SUMMARY

Hilton Arden West
2200 Harvard Street
Sacramento, California 95815

Friday, June 2, 2023
8:30 a.m.
Second Meeting – 2023

Annual Budget

The Board **approved the 2023/24 budget**, as proposed, along with the publicly available pay schedule. Both documents will be posted to the PRISM website shortly. Total budgeted revenues are \$1.9B, budgeted expenses are \$1.8B, and budgeted Net Position is \$386M by the end of the fiscal year. Staff reported that \$3.4M in unspent administrative funds from 2022/23 will be applied to offset the 2023/24 billable administrative fees.

Excess Workers' Compensation (EWC) Program

Highlights of the Board's review and actions for the EWC Program are as follows:

- An update on the various reinsurance renewals was provided;
- The Board approved transferring the Program's corridor risk to PRISM ARC; and
- Authority was delegated to the Underwriting Committee to approve a revised definition of Occurrence, as respects an event spanning multiple days and affecting multiple members.

General Liability 1 (GL1) Program

Highlights of the Board's review and actions for the GL1 Program are as follows:

- An update on the various reinsurance renewals was provided;
- Approval was given to transfer the Program's corridor risk to PRISM ARC; and
- The Board approved **amendments to the MOC** to be effective with the July 1, 2023 renewal.

Informational Reports

The Board received several informational reports, a few of which are noted in the following:

- Summaries were provided on the **status of each of the Programs** and their upcoming renewals, recent legislative activity, and updates related to technology and services.
- Chandler Asset Management provided an overview of the PRISM investment portfolio.

- A **renewal synopsis** was provided in the agenda packet, and **updated premium estimates** are in the process of being distributed to the members.
- Results were presented to the Board on a **recent research study** of the **impact of using the employment legal (EPL) services provided by the Eyres Law Group**. Members that are using those services have much lower EPL claim costs compared to members that are not using the services. From that analysis, the conclusion was that **members have saved approximately \$12M since** the EPL legal services have been offered. Members that are not using the services are highly encouraged to consider doing so, especially since the service is provided at no additional cost to the members.

Next Meeting

The **next meeting** of the Board is currently scheduled for **Friday, October 6, 2023**, at the **InterContinental/The Clement Hotel in Monterey**. **This meeting will only be held in-person**, as we cannot accommodate a virtual option at this location.