

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

BOARD OF DIRECTORS

MEETING SUMMARY

Web Conference/Telephonic Meeting

Friday, June 3, 2022

8:30 a.m.

Second Meeting – 2022

Annual Budget

The Board **approved the 2022/23 budget** as proposed, along with the publicly available pay schedule. Both documents will be posted to the PRISM website shortly. Total budgeted revenues are \$1.65B, budgeted expenses are \$1.58B, and budgeted Net Position is \$260.8M by the end of the fiscal year.

Excess Workers' Compensation (EWC) Program

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

- The remaining components of the renewal were finalized (approved terms for renewal of the pool layer reinsurance with Great American, determined to self-insure the COVID-19 exposure in the pool and \$45M xs \$5M layers, and transfer the Program corridor risk to PRISM ARC).
- The allocated **administrative fees were reduced** to match the 2022/23 budget.
- Authority was delegated to the PRISM CEO and Underwriting Committee Chair to execute a **commutation of the 2021/22 statutory policy with Liberty** within 100 days of expiration, if it makes sense to do so.

General Liability 1 (GL1) Program

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

- Final renewal terms for all of the excess layers were reviewed.
- Approval was given to transfer the Program's corridor risk in the \$9M xs \$10M layer to PRISM ARC, providing a 3% (or \$150k) discount to the members.
- The allocated **administrative fees were reduced** to match the 2022/23 budget.
- The Board approved **amendments to the MOC** to be effective with the July 1, 2022 renewal.

Informational Reports

The Board received several informational reports, a few of which are noted below:

- Summaries were provided on the **status of each of the Programs** and their upcoming renewals, the status of **PRISM ARC** (PRISM's captive insurance

company) including efforts to expand outside of California, 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.

Next Meeting

The **next meeting** of the Board is currently scheduled for **Friday, October 7, 2022** at the **Claremont Hotel in Berkeley. This meeting will only be held in-person**, as we cannot accommodate a virtual option at this location.