

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

BOARD OF DIRECTORS

MEETING SUMMARY

75 Iron Point Circle, Suite 200
Folsom, CA 95630
Web Conference/Telephonic Meeting

Friday, March 7, 2025
8:30 a.m.
First Meeting – 2025

The PRISM Board of Directors has responsibility for the Excess Workers' Compensation (EWC) and General Liability 1 (GL1) Programs.

EWC Program

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

- Overall, the Program has an actuarially **projected equity of \$51.5M**, which is equivalent to the 77% confidence level.
- Based on the Target Funding Guidelines, the Board approved pool rates for 2025/26 based on the **80% confidence level, discounted at 4%**.
- Pool rate changes will vary for each member based on their rating group. On average, **county rates are down 4%, school rates up 8%, low safety rates up 5%**, and **high safety rates are up 9%**.
- The Board did not have reinsurance proposals for consideration, but it is anticipated that proposals will be received shortly. The Board **delegated authority to the Underwriting Committee to approve final renewal terms within specified parameters**.
- The pool allocation was set and the administrative charges for the Program, in the amount of \$12M, were set for 2025/26.

GL1 Program

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

- The Board reviewed the Program's financial position, noting that the Program is projected to build equity, with a \$21M projected Net Position projected at 6/30/25.
- The Board approved pool rates for 2025/26 based on the **85% confidence level**, discounted at 2.5% for investment income.
- Pool rate changes will vary for each member based on their rating group. On average, **county/other rates will be up 19%** and rates for **schools not in SELF will be up 39%**, and **schools in SELF will be up 46%** (which includes the expected increase as a result of the additional year of claims-made exposure).
- The Board did not have reinsurance proposals for consideration, but it is anticipated that proposals will be received shortly. The Board **delegated authority to the Underwriting Committee to approve final renewal terms within specified parameters**.
- The pool allocation was set and the administrative charges for the Program, in the amount of \$8.8M, were set for 2025/26.
- **Amendments to the Memorandum of Coverage, Addendum B Claims Administration Standards and Defense Counsel Standards** were approved, effective with the 7/1/25 renewal.

Informational Reports

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

- Reports were given by staff, Alliant, and the various committee chairs on the status of the program renewals and/or services they oversee;
- An investment portfolio report was provided by Chandler Asset Management;
- An update on PRISM ARC and placements made with non-California participants; and
- The Board reviewed the Code of Conduct, Standard Operating Procedures, and the Organizational Strategic Plan.

The ***next meeting*** of the Board will be ***Friday, June 6, 2025*** at the ***PRISM Office in Folsom*** as well as ***via Web Conference***.