

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

PROPERTY COMMITTEE

MEETING SUMMARY

Web Conference/Telephonic Meeting

Friday, May 31, 2024

9:00 a.m.

Fourth Meeting – 2024

Members Present

Felipe Garcia, CSR
Karen Caoile, Contra Costa County
Jenny Thompson, Fresno County – Alt.
Erika Leahy, City of Napa
Greg Elliott, City of Oakland
Gerald Saputra, Riverside County
Janice Mazone, San Diego County
Lance Sposito, Santa Clara County
Dolyene Lane, Shasta County
Robert Anderson, Tulare County
Danielle Mancuso, Ventura County – Alt.

Members Absent

Carla Stephens, City of San Diego
Victor Tordesillas, San Bernardino County

General Business

- Alliant reviewed the final terms of the 2024/25 Property Program renewal.
 - PRISM is self-funding losses up to \$120M with Harleysville/Nationwide providing a \$30M aggregate from \$120M to \$150M. Several carriers provide additional aggregate of \$25M xs \$150M.
 - For the \$15M xs \$10M layer, PRISM renewed with Fidelis for 2 years. The premium was set at \$42M for the first year and a 2.5% rate increase in year 2, subject to a 50% loss ratio.
 - Excess layers (xs \$25M) were renewed with \$600M in all risk coverage with PRISM retaining \$3.75M in risk in the \$25M xs \$25M layer.
- Staff provided a summary of the property premium allocation process and the Committee approved the final 2024/25 premium allocation amongst the members.
- The Committee reviewed the details of a new program that is being considered by other PRISM programs. The new program is called the PRISM Program Insurance Guarantee Account (PIGA). It would provide a certain amount of coverage to the Program in the case of insolvency by a carrier. The Committee decided to approve the Property Program's participation in PIGA for an initial 3-year period.
- The Committee ratified the Chair's decision to approve a new 3-year contract with the Program's TPA, McLarens, beginning April 1, 2024 and ending March

31, 2027. McLarens did not receive a rate increase during the past 2 years and the new contract will be an increase of approximately 10%-14% in their hourly rates for the 2024/25 program year. The increase will be approximately 5%-8% each year for the second and third years of the contract.

- The Committee considered new member applications and voted to approve the following new members to the Property Program, effective July 1, 2024: City of Montebello, City of Hemet, City of Daly City, City of Lompoc, and the City of Upland as an additional covered party for CIRA.
- The Committee reviewed a concern regarding a vacant building in Butte County and decided to maintain coverage as currently provided, as long as the County provides updates to PRISM staff regarding progress made on the commencement of construction. The Committee also modified coverage to Actual Cash Value (ACV) for a couple of buildings in San Diego County.

Next Meeting

The next meeting will be held at the call of the Chair.