

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

UNDERWRITING COMMITTEE

MEETING SUMMARY

75 Iron Point Circle, Suite 200
Folsom, California 95630
(916) 850-7300

Wednesday, February 1, 2023
1:00 p.m.
First Meeting – 2023

Members Present

Mark Howard, ACCEL/City of Santa Barbara
Zachary Gifford, CSURMA
Scott Schimke, GSRMA
Aaron Holmberg, Inyo County
Beth Lyons, PERMA
Jim Kotey, Placer County
Craig Schweikhard, SMCSIG
Janell Crane, Sonoma County
Andrew Fischer, Trindel Insurance Fund – Alt.

Members Absent

Mike James, City of El Cajon – Alt.
Jay Sloane, Mono County

Excess Workers' Compensation Program

- Staff reviewed the unchanged EWC Program Structure with Committee.
- Committee reviewed EWC Program Target Funding Guidelines and recommended to the Executive Committee and Board of Directors to approve with no changes.
- Staff reviewed actuarial results and funding parameters with Committee. The Program's funding at June 30, 2023 is projected to be equivalent to the 95% confidence level. Committee recommends to the Executive Committee and Board of Directors approval to set rates for 2023/24 at the 80% confidence level, and setting the investment discount assumption at 3.5%.
- Alliant provided an update on 2023/24 EWC renewal negotiations with all insurer participants in the structure and are awaiting quotes. Negotiations remain ongoing and Alliant will provide future updates on their progress.
- Committee approved proposed amendments to update the Program Budget Policies for Short Term Goals to include continued collaboration to examine potential added controls in the area of Claims, Underwriting, and Audits.

General Liability 1 Program

- Staff reviewed the unchanged EWC Program Structure with Committee.
- Committee reviewed GL1 Program Target Funding Guidelines and recommended to the Executive Committee and Board of Directors to approve with no changes.
- Staff reviewed the actuarial analysis with the Committee. Adverse development in the Program continues to decrease surplus. The Committee recommended to the

Executive Committee and Board of Directors to set funding for the GL1 Program for the 2023/24 year at the 85% confidence level, discounted at 2.5%.

- Alliant reviewed with Committee the status of 2023/24 GL1 renewal for all layers of the Program. Alliant noted continued loss development is impacting renewal discussions. No proposals have yet been received and Alliant, who continue to negotiate terms with incumbent carriers. Alliant will provide status updates on their progress.
- Staff presented the Committee with LACOE's request to increase their GL1 limit from \$1M to \$5M. LACOE participates in Schools Excess Liability Insurance Fund (SELF) from \$1M to \$5M. Committee approved the increase, effective July 1, 2023.
- Similar to EWC, Committee approved proposed amendments to update the Program Budget Policies for Short Term Goals to include continued collaboration to examine potential added controls in the area of Claims, Underwriting, and Audits.

GENERAL BUSINESS

- Staff reviewed changes to the SOP from last year with Committee, who made no further changes.
- Staff updated the Committee on the items discussed at the November 2022 Fall Retreat.
- Staff announced that Virginia Blanco has been promoted to fill the Underwriting Specialist position.

Future Meetings

The next scheduled meeting will be on **Wednesday, March 1, 2023**, at **1:00 p.m.**, to be held via **Web Conference**.