

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

UNDERWRITING COMMITTEE

MEETING SUMMARY

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

Wednesday, June 5, 2024
1:00 p.m.
Fifth Meeting – 2024

Members Present

Mark Howard, ACCEL/City of Santa Barbara
Zachary Gifford, CSURMA
David Richards, City of El Cajon – Alt.
Scott Schimke, GSRMA
Aaron Holmberg, Inyo County
Beth Lyons, PERMA
Greg Milligan, Santa Barbara County – Alt.
Craig Schweikhard, SMCSIG
Jamie Bloom, Sonoma County
Andrew Fischer, Trindel Insurance Fund

Members Absent

Jay Sloane, Mono County

Insurance Programs

- The Committee spent time reviewing a variety of topics including evaluating EWC and GL1 participation in PRISM's Program Internal Guarantee Account (PIGA). The Committee supported the direction and staff recommendation to participate in the PIGA, which would provide protection for all participating PRISM programs in the event of carrier insolvency and aggregate erosion of limits in the Miscellaneous Programs. The Committee discussed increasing the coverage benefit over time, should PIGA establish and exceed funding goals. The Committee discussed how current members who buy coverage in the standard market from insurance carriers are likely already paying into CIGA, which is California's Insurance Guarantee Association that is similar in concept.
- The Committee evaluated new member applications and spent time discussing the City of Sausalito's participation in the EWC and GL1 Programs. They spent a lot of time talking with the City Manager and City Attorney who were both present virtually at the meeting. They discussed their operations, city specific considerations of size, their prior relationship with their pool, and how they would be a committed partner to PRISM based on past experiences and lessons learned. The Committee voted to approve their membership in PRISM for GL1 and EWC for 2024/25, and is requiring an independent review of the performance of the City, before offering renewal into the 2025/26 term. The Committee spent time discussing how PRISM could help and provided suggestions to the City with their endeavors to hire a risk manager.
- Program Performance Reports (PPR) were displayed for both EWC and GL1 with animation to help articulate the data points included in the PPRs. Animation was a key factor in the understanding of the components contained in this report and was well received by all at the meeting. The Committee was excited to be able to show this report to their stakeholders with animation and also recommended we consider different data point identifiers depending on the audience of such report; risk manager versus finance director versus city manager.
- The proposed amendments to the GL1 MOC and outcome, and changes provided as result of the working group meeting were discussed and evaluated. The Committee spent

some time discussing the provision in the preamble and ultimately moved the recommendation forward.

EWC Program

The Committee recommended the following for the EWC Program to the Executive Committee and Board of Directors:

- To transfer the Program's 2024/25 risk to PRISM ARC;
- To approve the remaining portions of the 2024/25 renewal of the Program on the following: renewing with Great American on the Pool Layer, adding another year to the rate plan; terms with State National for the CSURMA Primary Layer, adding another year to the rate plan; and approve the renewal with Safety National (Statutory xs \$2.5M & Statutory xs \$750k) in the Educational Tower and Statutory xs \$5M in Core Tower II; and
- To approve the EWC updated administrative costs and the Final Deposit Premium Allocation.

GL1 Program

The Committee recommended the following for the GL1 Program to the Executive Committee and Board of Directors:

- To transfer the Program's 2024/25 risk to PRISM ARC;
- To delegate authority to the Underwriting Committee to approve the remaining portions of the 2024/25 renewal of the Program once final proposals are received, subject to a minimum AM Best rating of A-, VII for all carriers, and pricing not-to-exceed \$99M for all layers combined (inclusive of corridor deductibles, and does not include Pool funding or admin costs);
- To approve the GL1 updated administrative costs and the Final Premium Allocation

The following coverage requests and new member applications were reviewed by the Committee for the GL1 Program:

- Dam Coverage Buybacks were approved for Sierra and Tulare Counties;
- New Member Applications were approved for participation in the GL1 Program for YCPARMIA, and the Cities of Beaumont and Daly City;
- An Out-of-State participant, City of Glendale, Arizona, was approved for participation in the GL1 Program, effective July 1, 2024, providing limits of \$5M xs \$7M, with coverage for Employee Benefits Liability written on a claims made form with prior acts coverage and a buyback for a dam; and
- A current out-of-state participant, City of Portland, Oregon, was approved for a renewal option that would include a drop-down coverage provision, effective July 1, 2024.

General Business

- The Committee received an update on member services.

Future Meetings

The next scheduled meeting will be on **Thursday, August 15, 2024**, with **the time TBD**, for the **joint meeting with the Claims Review Committee**, to be held at the **PRISM office in Folsom**.