

CSAC EXCESS INSURANCE AUTHORITY
GENERAL LIABILITY 2 COMMITTEE

MEETING SUMMARY

CSAC Excess Insurance Authority
Web Conference/Telephonic Meeting

Tuesday, June 25, 2019
3:30 p.m.
Fifth Meeting – 2019

Members Present

Karen Caoile, Alameda County
Denise Rojas, Contra Costa County
Donald White, ERMAC
Andrew Lathrop, City of Oakland
Michal Bowers, Riverside County
Patrick Flaherty, City of Sacramento
Paul Hight, Sacramento County
Rafael Viteri, San Bernardino County
Claudia Castillo del Muro, City of San Diego
Tanya Moreno, San Joaquin County
Greg Bych, City of Santa Clara
Lance Sposito, Santa Clara County
Enrique Sahagun, Santa Cruz County
Susan Cox, Tulare County
Erika Leahy, City of Vallejo

Members Absent

Tameka Usher, El Dorado County

General Business

- The Committee received a claim summary informational report. Discussion was shared regarding the summary of total incurred development for the past several years as a lead into the renewal discussion.
- Staff and Alliant discussed some of the challenges associated with the renewal, including the Program's own loss development over the years, but also the hardening public entity general liability market overall and its impacts on renewal pricing and number of interested carriers. The renewal resulted in new carriers coming onto the Program and some carriers leaving. Alliant detailed any differences in terms and conditions, the additions of a new corridor deductible, aggregates in both reinsurance layers, and some restrictions in coverage. Staff explained where there is any difference in coverage, we are not amending the language in the MOC, and where there is a difference in wording or restrictions in coverage, the GL2 Program will pick up those differences in accordance with the language in the MOC. The Committee approved the **2019/20 renewal terms for the \$5M x \$10M and \$10M x \$15M layers.**
- **The Committee approved transferring the corridor(s) to the EIO.** Both the renewals for the SIR to \$10M and the \$5M x \$10M layer contain corridors now,

together totaling \$34.75M. The corridors are discounted for the members by 10%, yielding \$3.475M in savings.

- An informational report was received regarding the GL2 premium allocation, which reflects the final reinsurance numbers, administrative costs, and corridor and corridor discounts. Total premium for the 2019/20 year is just under \$82M.
- Staff presented the Committee with a summary of the comments received on the proposed changes to the GL2 MOC. Changes were made to the following sections: Coverage agreements, self-insured retention, subsections A and C, definition of “occurrence”, the definition of “wrongful act”, conditions (new subsection E), and endorsement U-10 - Other Coverage. ***The Committee reviewed and approved the changes to the GL2 MOC as presented.***
- The Committee received an informational report on the status of the transition from annual to monthly loss data submissions.

Next Meeting

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