

CSAC EXCESS INSURANCE AUTHORITY
PRIMARY GENERAL LIABILITY COMMITTEE
MEETING SUMMARY

CSAC Excess Insurance Authority
75 Iron Point Circle, Suite 200
Folsom, California 95630
916-850-7300

Friday, March 24, 2017
9:00 a.m.
Second Meeting – 2017

Members Present

Lisa Hopkins, Amador County – Alternate
John Chaquica, CalMHSA
Jeffrey L. Hunter, Riverside IHSS
Paul Hight, Sacramento County
Bonnie Kolesar, Solano County
Ann Fremd, Tuolumne County – Alternate

Members Absent

Kelly Vizgaudis, Humboldt IHSS

Renewal Matters

The Committee reviewed the actuarial results and the overall funding position of the Program, and determined to use ***\$510k of the Program's net equity. Of that, \$266k will be returned to the members in the form of a dividend and \$244k will be applied as a credit against the administrative charges*** for the 2017/18 year.

Berkley's renewal proposal was considered and approved. The rate stabilization plan in place for the renewal calls for an ***8% rate reduction***. In order to get to that amount, Berkley proposed a renewal including a ***\$500k Corridor Deductible***. Acceptable terms have not yet been received for extension of a rate stabilization plan for calculating the 2018/19 renewal. If acceptable terms are presented, consideration of a rate plan will be brought to the Committee at a later date. The Committee also approved transferring the risk for the \$500k Corridor Deductible to the EIA's captive insurance company, the Excess Insurance Organization (EIO), which will produce a premium savings for the members. The estimated 2017/18 premium allocation was approved at the meeting. Rate changes by member varied based on their own expected losses. Premium for members that are not large enough for a credible actuarial analysis is based on their payroll.

Other Matters

- The Committee approved contract renewals with George Hills Company and Carl Warren for claims services, and renewal of the claims audit contract with Praxis;
- The Target Funding Guidelines were reaffirmed with no changes; and
- Alliant's scope of tasks and commission rates for the PGL Program were revised and recommended for approval to the Executive Committee.

Next Meeting

The next meeting will be held at the call of the Chair. The Committee's intent is to set a date for its 2018/19 renewal meeting at an earlier time, likely late January or early February. Staff will be soliciting feedback on proposed dates shortly. It is also the Committee's intent to once again include a ***networking dinner the night before***.