

CSAC EXCESS INSURANCE AUTHORITY
UNDERWRITING COMMITTEE

FINAL AGENDA

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

Wednesday, February 6, 2019
1:00 p.m.
First Meeting – 2019

As to each agenda item, the Committee may take action and/or receive informational reports as appropriate.

ROLL CALL/INTRODUCTIONS

- 1.A. Establishment of Quorum/Introductions5

SELECTION OF CHAIR

- 2.A. Selection of Chair and Vice Chair.....6
An action to select a Chair and Vice Chair for the 2019 year.

CONSIDERATION OF OFF AGENDA ITEMS

Pursuant to Government Code Section 54954.2(b), except as provided in this paragraph, no action or discussion shall be taken at a regular meeting on any item which does not appear on the posted Final Agenda. Pursuant to Government Code Section 54954.2 (b)(2) an item may be added to the Final Agenda after the Final Agenda has been posted upon a determination by a two-thirds vote of the Committee (or an unanimous vote if less than two-thirds of the Committee is present); the vote shall be on a motion stating that there is a need to take immediate action and that the need for action came to the attention of the Committee subsequent to the Final Agenda being posted. Any such motion shall be accompanied by distribution of a written statement on a form provided by the office of the Chief Executive Officer/Secretary of the Board, to be included in the record, stating the facts upon which it can be determined that the need to take action arose after the Final Agenda was posted. In addition, action may be taken on an item not on the posted Final Agenda under the circumstances stated in Government Code Section 54954.2 (b)(1) [emergency] and 54954.2 (b)(3) [continued regular meetings].

CONSENT AGENDA

The following Consent Agenda is expected to be routine and non-controversial. It will be acted upon by the Committee at one time without discussion. Any Committee member, staff member, or interested party may request that any item be removed from the Consent Agenda for later discussion.

- 3.A. Approval of Minutes, December 5, 2018.....8
An action to approve the Minutes of the above meeting.
- 3.B. Code of Conduct..... 16
An action to acknowledge receipt of the Code of Conduct.

3.C.	Standard Operating Procedures (SOP).....	19
	<i>An action to acknowledge receipt of the SOP.</i>	
3.D.	Disclosure of Underwriting Authority.....	37
	<i>An action to acknowledge receipt of the disclosure.</i>	
3.E.	EWC & GL1 Notices of Potential Withdrawal	39
	<i>An action to acknowledge receipt of the notices.</i>	

INSURANCE PROGRAMS

4.A.	Claims Review Committee Report (Karin)	40
	<i>An informational report regarding recent meetings of the Claims Review Committee.</i>	
4.B.	EWC Draft Controlled Unaffiliated Business (CUB) Agreement (Mike F.)	41
	<i>Provide direction to staff regarding the draft EWC CUB agreement.</i>	
4.C.	Member Services Update (Maria).....	42
	<i>An informational report regarding the recent activities of the Member Services Department.</i>	
4.D.	AmTrust Update (Alliant).....	44
	<i>An informational report regarding the financial standing of AmTrust.</i>	

Excess Workers' Compensation Program

4.E.1.	Claim Summary Report as of December 31, 2018 (Mike P.).....	48
	<i>An informational report regarding the EWC Claim Summary Report as of December 31, 2018.</i>	
4.E.2.	Program Structure Review (Brian).....	51
	<i>An informational report regarding the current structure of the Program.</i>	
4.E.3.	Target Funding Guidelines (Brian).....	52
	<i>An action to recommend to the Executive Committee and Board of Directors to approve the amendments to the Target Funding Guidelines.</i>	
4.E.4.	Actuarial Results and 2019/20 Rate Setting (Rebekah/John)	56
	<i>An action to recommend to the Executive Committee and Board of Directors to approve rates for funding the 2019/20 year.</i>	
	<ul style="list-style-type: none">• 2019/20 Funding Requirements• Evaluation of Past Funding/Surplus Analysis• Long-Term Investment Assumption	
4.E.5.	2019/20 Renewal (Alliant).....	63
	<i>An action to recommend to the Executive Committee and Board of Directors to approve renewal terms on each of the layers, if proposals with acceptable terms are provided.</i>	

4.E.6.	Program Budget Policies (Brian).....	65
	<i>An action to recommend to the Executive Committee and Board of Directors to approve the Program Budget Policies, as recommended.</i>	
4.E.7.	2019/20 Deposit Premium Allocation (Rebekah).....	69
	<i>An action to recommend to the Executive Committee and Board of Directors to approve setting the excess loss surcharges for 2019/20.</i>	
	<ul style="list-style-type: none">• Review of Ex Mod Results• Determination of Excess Surcharges	
4.E.8.	New Member Application – City of Oxnard (Sarah)	79
	<i>An action to approve the City of Oxnard for membership in the Program, effective July 1, 2019.</i>	
4.E.9.	New Member Application – City of Fountain Valley (Rebekah).....	81
	<i>An action to approve the City of Fountain Valley for membership in the Program, effective March 31, 2019.</i>	
4.E.10.	CAPRI Covered Party Addition (Rebekah).....	84
	<i>An action to approve La Selva Beach as an additional named insured under CAPRI, retroactively effective November 1, 2018.</i>	
4.E.11.	Monterey County Covered Party Addition (Rebekah).....	85
	<i>An action to approve Monterey County Water Resources Agency as an additional named insured under Monterey County, retroactively effective July 1, 2017.</i>	

General Liability 1 Program

4.F.1.	Claim Summary Report as of December 31, 2018 (Mike P.).....	87
	<i>An informational report regarding the GL1 Claim Summary Report as of December 31, 2018.</i>	
4.F.2.	Program Structure Review (Gina)	89
	<i>An informational report regarding the structure of the Program.</i>	
4.F.3.	Target Funding Guidelines (Gina)	90
	<i>An action to recommend to the Executive Committee and Board of Directors to approve the amendments to the Target Funding Guidelines.</i>	
4.F.4.	Program Budget Policies (Gina).....	94
	<i>An action to recommend to the Executive Committee and Board of Directors to approve the Program Budget Policies, as recommended.</i>	
4.F.5.	2019/20 Renewal (Alliant).....	98
	<i>An action to recommend to the Executive Committee and Board of Directors to approve the renewal of the various insured layers on the program for 2019/20, if proposals with acceptable terms are provided.</i>	

- 4.F.6. Actuarial Results and 2019/20 Rate Setting (Max/John)..... 100
An action to recommend to the Executive Committee and Board of Directors to approve rates for funding for the 2019/20 year.
- 2019/20 Funding Requirements
 - Evaluation of Past Funding/Surplus Analysis
 - Long-Term Investment Assumption
- 4.F.7. 2019/20 Estimated Premium Allocation (Max) 104
An action to recommend to the Executive Committee and Board of Directors to approve setting the excess loss surcharges for 2019/20.
- Review of Ex Mod Results
 - Determination of Excess Surcharges
- 4.F.8. Memorandum of Coverage (MOC) Amendments (Heather) 116
An action to recommend to the Executive Committee and Board of Directors to approve the proposed amendments to the GL1 MOC, and to direct staff to distribute the amendments to the GL1 membership for review and comment.
- 4.F.9. New Member Application – Central Region School Insurance Group (Max).. 153
An action to approve the Central Region School Insurance Group for membership in the Program, effective July 1, 2019.
- 4.F.10. Napa County Racing Exclusion (Sarah) 157
An action to approve removal of the racing exclusion for Napa County, effective February 6, 2019.
- 4.F.11. GSRMA Covered Party Addition (Sarah) 159
An action to approve the Riverfront JPA as a covered party addition to GSRMA in the GL1 Program, retroactively effective November 30, 2017.

PUBLIC COMMENT

This portion of the agenda is reserved for members of the general public to address the Committee on any matter not on this agenda that is under the jurisdiction of the Committee.

FUTURE MEETINGS

The next scheduled meeting will be on **Wednesday, February 27, 2019, at 1:00 p.m., at the Hilton Arden West** to be held in conjunction with the Board of Directors meeting.

ADJOURNMENT

Disability Access: All posted locations for this meeting are wheelchair accessible and disabled parking is available. If you are a person with a disability and you need disability-related modifications or accommodations to participate in this meeting, please contact the Meeting Planner at (916) 850-7300 or (916) 850-7800 (fax). Requests for such modifications or accommodations must be made at least two full business days before the start of the meeting.