

CALIFORNIA AFFILIATED RISK MANAGEMENT AUTHORITIES SPECIAL BOARD OF DIRECTORS MEETING

AMENDED AGENDA

**Tuesday, March 2, 2021
9:00 a.m.**

Webex

Dial-in Number: +1 (904) 900-2303

Access Code: 160 078 4440

Link: <https://sedgwick.webex.com/sedgwick/j.php?MTID=m61123ab9c975fc6fa5e638e0a5eb7a24>

This meeting will be conducted by teleconferencing in accordance with the State of California Executive Order N-29-20.

In compliance with the Americans with Disabilities Act, if you need a disability-related modification or accommodation to participate in this meeting, please contact Katie Achterberg at (916) 290-4624 or katie.achterberg@sedgwick.com. Requests must be made as early as possible, and preferably at least one full business day before the start of the meeting.

Documents and materials relating to an open session agenda item that are provided to the CARMA Board of Directors less than 24 hours prior to a special meeting will be available for public inspection by contacting Katie Achterberg at (916) 290-4624 or katie.achterberg@sedgwick.com.

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| <u>Page</u> | 1. CALL TO ORDER; ROLL CALL |
| | 2. APPROVAL OF AGENDA AS POSTED (OR AMENDED) |
| | 3. PUBLIC COMMENTS - This time is reserved for members of the public to address the Board relative to matters of CARMA not on the agenda. Members of the Public may submit comments by email in advance of the meeting by emailing Katie Achterberg at katie.achterberg@sedgwick.com no later than 5 p.m. on Monday, March 1, 2021. If a member of the public would like to address the Board during the meeting, the person may email Ms. Achterberg during the meeting and, if timely received, Ms. Achterberg will read or summarize the email to the directors. No action may be taken on non-agenda items unless authorized by law. Comments will be limited to five minutes per person and twenty minutes in total. |
| 4 | 4. CONSENT CALENDAR
If a Board member would like to discuss any item listed, it may be pulled from the Consent Calendar. |

- 5 *A. Minutes of December 11, 2020, Special Board of Directors Meeting
- 9 *B. CARMA Prospective Member Underwriting
Recommendation: Staff recommends approval of the Consent Calendar.

5. POTENTIAL NEW MEMBERS

- 20 *A. Consideration of California Intergovernmental Risk Sharing Authority (CIRA) as a Member of CARMA
Recommendation: Staff recommends unconditional approval of CIRA as a member of the CARMA program effective July 1, 2021, with a \$1M Self-Insured Retention.
- 166 *B. Consideration of Pooled Liability Assurance Network Joint Powers Authority (PLAN JPA) as a Member of CARMA
Recommendation: Staff recommends conditional approval PLAN JPA as a member of the CARMA program effective July 1, 2021 with a \$1M Self Insured Retention. The recommended condition of approval relates to the further evaluation of the costs to the CARMA program at the reinsurance and excess layers. Further discussion and negotiation with PLAN JPA and CARMA will likely need to take place related to how to equitably spread the expected increase in costs to CARMA in this layer due to PLAN JPA’s currently unfavorable loss history in these higher layers.

It is also possible to consider having PLAN JPA participate in CARMA only from in the \$4M ex of \$1M risk sharing layer and allow them to place their own reinsurance/excess insurance for the 2021/22 program year.
- 212 *C. Consideration of Yolo County Public Agency Risk Management Insurance Authority (YCPARMIA) as a Member of CARMA
Recommendation: Staff recommends unconditional approval of YCPARMIA as a member of the CARMA program effective July 1, 2021, with a \$1M Self-Insured Retention.

6. OUTSTANDING ISSUES REGARDING POTENTIAL NEW MEMBERS

- 249 A. Discussion Regarding Deactivation of the Mid Layer Pool for the 2021/22 Program Year
Recommendation: Staff recommends de-activation of the CARMA Mid-Layer pool for coverage in the \$1M in excess of \$4M layer, for the 2021/22 program year, but only if any of the potential new members elect to join the CARMA program as of July 1, 2021.
- 251 B. Discussion of Reinsurance/Excess Insurance “Surcharge” To Certain New Members if Required Due to Adverse Loss Experience in Those Layers
Recommendation: Staff recommends the Board provide direction to bring back for consideration one or more surcharge methodologies for consideration and review once preliminary numbers for the reinsurance and excess layers are available.

253 C. Discussion of Adjustment to Administration Cost Allocation Methodology
Recommendation: Staff recommends the Board of Directors approve changing the administrative allocation method to 35% per capita/equally, 15% per losses, and 50% per payroll effective July 1, 2021.

254 D. Discussion of Credibility Factor for VCJPA
Recommendation: Staff recommends the Board of Directors approve limiting the creditability factor to .25 for non-municipality members beginning with the 2021/22 program year.

7. ADMINISTRATIVE MATTERS

256 *A. Consideration of Actuarial Contract Renewal
Recommendation: Staff recommends renewal of the contract renewal proposal as presented.

262 *B. Brokerage Report – Status of Reinsurance and Excess Renewals
Recommendation: None.

8. CLOSING COMMENTS

This time is reserved for comments by Board members and/or staff and to identify matters for future Board business.

- A. Board
- B. Staff

9. ADJOURNMENT

NOTICES:

- The next Board of Directors Meeting will be held on Wednesday, April 7, 2021.