



COMMITTEE TRANSMITTAL

November 23, 2020

To: Members of the Board of Directors
From: Laurena Weinert, Clerk of the Board
Subject: Excess Liability Insurance Renewal

Finance and Administration Committee Meeting of November 11, 2020

Present: Directors Do, Hennessey, Hernandez, Jones, R. Murphy, and Steel
Absent: Director Muller

Committee Vote

Following the roll call vote, this item was declared passed 5-1 by the Members present.

Committee Vice Chairman R. Murphy voted in opposition.

Committee Recommendations (reflects a change from Staff Recommendation) **Add Recommendations B and C.**

- A. Authorize the Chief Executive Officer to fully self-insure for liability claims by allowing the excess liability insurance policies with Gemini Insurance Company and Princeton Excess and Surplus Lines Insurance Company to expire until such time the insurance market pricing is more favorable.
- B. Direct staff to maintain a self-insured retention fund of no less than \$14 million.
- C. Direct staff to continue to monitor the liability insurance market and return to the Board of Directors when the average pricing trends show a reduction of at least 40 percent or in 11 months, whichever occurs first.



Committee Discussion

At the November 11, 2020 Finance and Administration (F&A) Committee (Committee) meeting, F&A Committee Chairman Hennessey continued to have concerns about the self-insured retention of \$5 million per claim and \$7 million in excess liability.

F&A Committee Chairman Hennessey requested the Committee approve Recommendation A and add Recommendations B and C.