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Date: August 3, 2018

TO: MEMBERS, BOARD OF DIRECTORS

I. AGENDA ITEM # AND TITLE:	Open Agenda Item 3c – Consent Calendar: Authorization to Secure Renewal of the Property & Casualty Insurance Program (expiring policies November 2018 – January 2019)
II. NAME AND PROGRAM:	Randy Hogan, Risk Management
III. ACTIVITY:	<input type="checkbox"/> Informational <input type="checkbox"/> Request for Direction <input checked="" type="checkbox"/> Action Proposed <input type="checkbox"/> Exploratory
IV. JUSTIFICATION:	<input checked="" type="checkbox"/> Standard/Required Item <input type="checkbox"/> Board Request – New Item <input type="checkbox"/> New Topic from Staff

V. EXECUTIVE SUMMARY:

State Fund’s current property & casualty insurance program is due for renewal. The following insurance lines expire on November 4, 2018: Commercial General Liability, Automobile, Umbrella and Excess Liability, Terrorism, Primary Property, Excess Earthquake & Flood, Fuel Tank Liability, Pollution and Foreign Liability. The Excess Workers’ Compensation program expires on January 1, 2019.

The current levels of coverage remain generally appropriate for State Fund’s risk profile, appetite, and tolerance. The renewals are not expected to change materially from expiring levels for any line of coverage.

Risk Management recommends that the President/CEO be authorized to secure a renewal program for the expiring policies at terms most favorable to State Fund.

VI. ANALYSIS:

The insurance policy renewals fulfill a prime Risk Management responsibility. The following table details the expiring Property and Casualty program:

Coverage Line	Premium
General Liability	\$51,959
Auto Liability	\$43,468
Excess Workers' Compensation	\$416,584
Umbrella/ Excess Liability	\$85,400
Full Terrorism - Liability	\$14,912
Full Terrorism - Property	\$24,481
Primary Property	\$398,373
Excess Earthquake & Flood	\$192,778
Flood - Federal	\$6,646
Fuel Tank Liability	\$813
Pollution Liability	\$49,925
Foreign Package	\$2,500
	\$1,319,944

VII. RECOMMENDATION:

To authorize Risk Management to secure renewal of the expiring Property and Casualty policies at terms most favorable to State Fund.