



EXCESS INSURANCE ORGANIZATION

Board of Directors 2019 Annual Meeting

MEETING SUMMARY

Waldorf Astoria
2100 Frostwood Drive
Park City, Utah 84098

Thursday, October 17, 2019
9:00 a.m.
Second Meeting – 2019

Members Present

Gina Dean, CSAC EIA
Michael Fleming, CSAC EIA
Scott Schimke, GSRMA
Lorin Barker, Kirton McConkie
Lance Sposito, Santa Clara County
Nate Black, Sutter County
Steve Underwood, CSAC EIA General Counsel (via phone)

Members Absent

None

Appointment of Officers

The Board appointed Gina Dean as President and Nate Black as Treasurer. The Board also re-appointed Scott Schimke as Vice President and Lorin Barker as Secretary.

Financial Matters

- The Board approved the 2019/20 Budget.
- The Board reviewed and approved the **Statement of Actuarial Opinion, Actuarial Opinion Summary, and Actuarial Review of the 6/30/19 Unpaid Claim Liabilities**, which have been filed with the Utah Department of Insurance (DOI).
- The Board reviewed unaudited **financial statements** as of 6/30/19. It was noted that the \$2.4M operating loss is the result of changing the discount from 4.3% to 3.45%.
- Bill Dennehy, with Chandler Asset Management, presented the **Investment Portfolio Update**. For the past 12 months, as of 9/30/19, the **liquidity portfolio** earned 2.35%; the **core fixed** earned 7.83%; and the **equity portfolio** earned .84%. On an overall basis, the EIO portfolios earned a **total rate of return** of 5.5% for the past 12 months. The Board will monitor the exposure to equity investments on a quarterly basis.
- The Board reviewed and reaffirmed the **Investment Guidelines** with no changes.

General Business

- The Board reviewed and **approved the 2018/19 and 2019/20 assumed risks**, including the new Medical Malpractice Program placement.
- An update was provided on the **status of the national expansion initiative**, including the status of the various outstanding items since the last meeting.

- The Board approved **amendments to the Bylaws**, which were necessary to accommodate membership of other public agencies outside of California.
- A recommendation was made to the EIA's Executive Committee to approve **amendments to the EIO's Articles of Incorporation** in order to broaden the purpose from providing insurance/reinsurance exclusively for the EIA to providing insurance/reinsurance for any public entity that is tax exempt.
- The Board reviewed the **June 30, 2018 Claim Summary Report**.
- The Board received an update on the status of the EIO's strategic plan including the **4 priority strategic goals**.