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**SPECIAL BOARD OF DIRECTORS MEETING  
AGENDA**

**Thursday, June 25, 2020  
2:00 p.m.**

**Zoom**

**Please Contact Katie Sullivan for Conference Information**

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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 Sullivan at (916) 244-1164 or [katie.sullivan@sedgwick.com](mailto:katie.sullivan@sedgwick.com). Requests must be made as early as possible and 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 Pooled Liability Assurance Network (PLAN) JPA Board of Directors less than 72 hours prior to a regular meeting will be available for public inspection online at [www.planjpa.org](http://www.planjpa.org).

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| <b><u>Page</u></b> | <b>1. CALL TO ORDER</b>   |
|                    | <b>2. INTRODUCTIONS</b>   |
|                    | <b>3. APPROVAL OF AGENDA AS POSTED (OR AMENDED)</b>   |
|                    | <b>4. PUBLIC COMMENTS</b> - This time is reserved for members of the public to address the Board relative to matters of the PLAN JPA not on the agenda. 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. |
| <b>3</b>           | <b>5. RENEWALS</b><br>A. Discussion Regarding Excess Renewal Options<br><i>Recommendation: Staff recommends that the Board of Directors provide direction and authorization to staff and PLAN's insurance broker to bind the 2020/21 Liability Program and the resulting revised operating budget.</i>        |

**6. CLOSING COMMENTS**

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

- A. Board of Directors
- B. Staff

**7. ADJOURNMENT**

**NOTICES:**

- The next Risk Management Committee meeting will be held on October 8, 2020, at 10:00am via videoconference.
- The next Executive Committee meeting will be held on October 29, 2020, at 10:00am via videoconference.
- The next Board of Directors meeting will be held on December 10, 2020, at 9:30am via videoconference.

**RENEWALS**

**SUBJECT: Discussion Regarding Excess Renewal Options**

**BACKGROUND AND HISTORY:**

On June 11, 2020, the PLAN JPA Board approved the operating budget with \$16,059,618 in total member contributions. For the Liability Program, the reinsurance and excess cost, with insurance coverage of \$27.5M, was budgeted at \$4,265,804, a 51% increase from the prior year. Subsequent to the Board meeting, the insurance market is responding very negatively to the current societal environment and municipal exposures leading to rising cost for excess liability insurance coverage.

PLAN's insurance broker, Seth Cole from Alliant, will be in attendance to present two revised excess liability program options: Option A matching the expiring program limits at current revised pricing, and Option B presenting an alternative that lowers auto liability coverage from \$27,500,000 to \$22,500,000.

<b><u>Coverage</u></b>		<b><u>Option A</u></b>		<b><u>Option B</u></b>	
		<b>Coverage of \$27.5M</b>		<b>General Liability</b>	<b>\$27.5 M</b>
				<b>Auto Liability</b>	<b>\$22.5 M</b>
Reinsurance	\$2.5 Million	\$	1,412,000	\$	1,412,000
Excess	\$5 Million		1,132,297		1,132,297
	\$5 Million		891,468		941,397
	\$5 Million		774,375		654,605
	\$5 Million		236,959		236,959
	\$5 Million		421,260		232,313
<b>Total</b>			<b>4,868,359</b>		<b>4,609,571</b>
Approved Budget			4,265,804		4,265,804
<b>Increase over Budget</b>		<b>\$</b>	<b>602,555</b>	<b>\$</b>	<b>343,767</b>
			14%		8%

It should be noted that the excess insurer for the \$5,000,000 excess of \$25,000,000 layer (Arch) in Option B also requires confirmation from PLAN JPA within 60-90 days that members with law enforcement operations are being proactive in their review of the following policies and procedures. The specific procedures are:

- How do officers de-escalate situations, where possible, by communicating with subjects, maintaining distance, and otherwise eliminating the need to use force?

**Agenda Item 5.A.  
Page 2**

- How are officers trained regarding using the need to choke or strangle civilians, in many cases where less lethal force could be used instead, resulting in the unnecessary death or serious injury of civilians?
- When do you require officers to intervene and stop excessive force used by other officers and report these incidents immediately to a supervisor?
- Do you restrict officers from shooting at moving vehicles, which is regarded as a particularly dangerous and ineffective tactic?
- What is the member's Force Continuum? Has one been developed that limits the types of force and/or weapons that can be used to respond to specific types of resistance?
- What other reasonable means are officers required to exhaust before resorting to deadly force?
- When are officers NOT required to give a verbal warning, before shooting at a civilian?
- Are officers required to report each time they use force or threaten to use force against civilians?
- How often and to what degree do you require officers to take a use of force training and awareness course?
- Do you require officers to wear body cameras? If so, how often and what are the protocols for when they are turned on and off?

Staff will present variations of a revised budget for approval at the meeting.

**RECOMMENDATION:**

*Staff recommends that the Board of Directors provide direction and authorization to staff and PLAN's insurance broker to bind the 2020/21 Liability Program and the resulting revised operating budget.*

**REFERENCE MATERIALS ATTACHED:**

None