TEXAS MUNICIPAL LEAGUE
INTERGOVERNMENTAL RISK POOL

Underwriting & Claims Committee Meeting

The Westin – Austin at the Domain
11301 Domain Drive – Plumeria Room
Austin, TX 78758

April 23, 2026

Committee Members Present
Mike Land, Committee Chair
Allison Heyward
Kimberly Meismer
Mike Alexander
Rickey Childers

Other Board Members Present
Bert Lumbreras
Monty Wynn
Austin Bleess
David Rutledge
Chris Coffman

Staff Present
Jeff Thompson
Lindsey Fields
Jeffrey Snyder
David Reagan
Tito Villegas
David Nix

Staff Present (cont.)
Irvin Janak
Bo Joseph
Atul Poladia
Mike Raigosa
Joshua Haley
Jennifer O'Sullivan
Phil English
Aaron Hardiman
Kim Williams
Julie Nguyen
Gil Lee
Melinda Walter
Raquel Brown
Kathy Westbrook
Ryan Seater
Valessa Gutierrez

Others Present
Collin Schoenfeld
Guy Carpenter & Company, LLC
Kiersten Picardo
Guy Carpenter & Company, LLC

Underwriting and Claims Committee Chair Mike Land called the Underwriting and Claims Committee of the Texas Municipal League Intergovernmental Risk Pool to order at 12:30 P.M., on Thursday, April 23, 2026.

Consideration of Property Rate Recommendations & Property Reinsurance Recommendations for May 1, 2026 to May 1, 2027 (Tab 11)

Lindsey Fields and Collin Schoenfeld presented the staff recommendations for property rates and property reinsurance for May 1, 2026 to May 1, 2027, under Tab 11.

MOTION by Rickey Childers, seconded by Allison Heyward, to recommend to the Board the property rates and the reinsurance rates and layer structure as set forth below:

Property Rates/Coverage Changes

- Apply a 5% inflationary factor to all Members' scheduled building and contents values.
- Apply a 2% base rate increase for all non-municipality members to better align contributions with their relative exposure and loss experience, recognizing the Membership Philosophy by ensuring an equitable distribution of costs across the membership.
- Adjust Real & Personal Property deductible credits and rates resulting in an overall flat rate change.
- Apply a 5% rate increase to Auto Physical Damage coverage.
- Discontinuing Auto Catastrophe coverage as a separate option and continuing to address this risk within Auto Physical Damage coverage.
- Discontinuing the Computer Fraud coverage option and directing Members toward the Cyber Liability program for these exposures.
- Apply a $25 increase in the Real and Personal Property, Mobile Equipment, and Crime coverages' minimum contribution based on the year-to-year change in the Pool's operating budget for a $5,645 total minimum contribution across all applicable coverages.

Reinsurance Rates & Structure

- Approve the overal reinsurance structure as recommended under Tab 11.
- Approve the estimated external reinsurance expenditure on layers above $25 million of $35,609,437 with an additional contingency of $5,341,415 (15%), with leeway for the Executive Director to make modifications to the structure among internal and external sources, but not to exceed $40,950,852. (A final recommendation of the structure, with final pricing, is expected to be available by the time of the Board Meeting).
- Approve the estimated external expenditure of $2,446,250 with NLC Mutual, for co-participations in various levels of the proposed reinsurance structure, with an additional contingency of $500,000, with leeway for the Executive Director to make modifications to the structure of the internal and external sources, but not to exceed $2,946,250 in premium to NLC Mutual.
- Approve the internal reinsurance fund pricing by layer, as noted in the body under Tab 11, with a total estimated allocation above the $25 million layer of $10,805,110.

Motion carried with unanimous approval.

Consideration of Workers' Compensation Rate Recommendations for 2026-27 (Tab 12)

Lindsey Fields presented the recommendations of staff for Workers' Compensation rates for 2026-2027, under Tab 12.

MOTION by Allison Heyward, seconded by Kimberly Meismer, to recommend the Board adopt the following Workers' Compensation rate changes set forth below:

1. Apply a 10% rate reduction to the paid Firefighters and paid Ambulance Services class codes.
2. Apply a 7% rate reduction to the paid Police Officers and Clerical Office class codes.
3. Increase the Workers' Compensation minimum contribution based on the year-to-year change in the Pool's operating budget as shown in the body of the report under Tab 12 for a $5,645 total minimum contribution across all applicable coverages.

Motion carried with unanimous approval.

Consideration of Liability Rate Recommendations for 2026-27 (Tab 13)

Lindsey Fields and Aaron Hardiman presented the staff recommendation for Liability rates for the 2026-27 fiscal year under Tab 13.

MOTION by Rickey Childers, seconded by Allison Heyward, to recommend the Board adopt the rate changes set forth under Tab 13, as follows:

- General Liability – No rate change
- Law Enforcement Liability – 5% rate decrease
- Errors & Omissions Liability – 5% rate decrease
- Auto Liability – 20% rate increase. The rate adjustment will be applied by rating territory, based on seven-year verified loss trends within the Auto Liability program, as noted in Appendix A under Tab 13.
- No rate change to Supplemental Sewage Backup and Aviation Liability coverages.
- Apply a $25 increase the General Liability, Law Enforcement Liability, Errors & Omissions Liability, and Auto Liability coverages' minimum contribution based on the year-to-year change in the Pool's operating budget for a $5,645 total minimum contribution across all applicable coverages.

Motion carried with unanimous approval.

Consideration of Cyber Rate Recommendations and Coverage Changes for 2026-27 (Tab 14)

Aaron Hardiman presented the staff recommendation for Cyber rates and Coverage Document changes for 2026-27 set forth under Tab 14.

MOTION by Mike Alexander, seconded by Allison Heyward, to recommend the Board adopt the Cyber rate and Coverage Document changes set forth under Tab 14, as follows:

- Approve continuing the partnership with Cowbell Cyber with no rate changes for the 2026-27 fund year.
- Approve expanding the cyber program to include the additional Premier tier described under Tab 14 for Members with revenues below $100 million.

Motion carried with unanimous approval.

Consideration of Proposed Changes to the Property, Liability, and Aviation Coverage Documents (Tab 15)

Joshua Haley presented the proposed changes to the Property, Liability, and Aviation Coverage Documents set forth under Tab 15,

MOTION by Ricky Childers, seconded by Allison Heyward, to recommend the Board approve the proposed changes to the Property, Liability, and Aviation coverage documents as set forth under Tab 15, with the addition of the word "not" to change number 14 to the Property Coverage Document so that the last phrase of the first sentence of the exclusion reads, "provided such alloys or metals are not unattended or unprotected." Motion carried with unanimous approval.

Consideration of revisions to the list of approved defense attorneys (Tab 16)

Jennifer O'Sullivan presented the proposed revisions to the list of defense attorneys to be retained by staff to defend Pool Members in liability claims and lawsuits st forth under Tab 16.

MOTION by Kimberly Meismer, seconded by Allison Heyward, to recommend to the Board to approve the changes to the list of defense attorneys to be retained by staff to defend Pool

Members in liability claims and lawsuits set forth under Tab 16. Motion carried with unanimous approval.

Significant Cases and Legal Developments impacting the Pool (Tab 17)

Jennifer O'Sullivan presented the Report on Significant Cases and Legal Developments Impacting the Pool under Tab 17.

Liability Claims Report on Liability Claims Trends (Tab 18)

David Nix presented the Liability and Property Claims Report on trends concerning liability claims and property claims, as set forth under Tab 18.

Workers' Compensation Claims Report on trends concerning workers' compensation claims (Tab 19)

Phil English presented the Workers' Compensation Claims Report on trends concerning Workers' Compensation claims, as set forth under Tab 19.

Risk Services Report including Membership Activity, Operations Update, Cyber Coverage Update and Underwriting Results (Tab 20)

Aaron Hardiman presented the Risk Services Report including Membership Activity, as set forth under Tab 20.

Loss Prevention Report on Member Interactions, Activities, and Training (Tab 21)

Irvin Janak presented the Loss Prevention Report on Member Interactions, Activities, and Training, as set forth under Tab 21.

Claims Subrogation Report (Tab 22)

David Nix presented the Claims Subrogation Report, as set forth under Tab 22.

Adjournment

Committee Chair Mike Land adjourned the meeting of the Underwriting & Claims Committee at 2:02 PM.

Approved by the
Underwriting & Claims Committee
on July 30, 2026

Lindsey Fields

Lindsey Fields,
Deputy Executive Director and COO