

**TEXAS MUNICIPAL LEAGUE
INTERGOVERNMENTAL RISK POOL
Underwriting and Claims Committee
Hurst Conference Center, Meeting Room 5
1601 Campus Drive, Hurst, TX 76054
October 25, 2019**

Committee Members Present

Andres Garza, Chair
David Harris
Robert Hauck
Jeffrey Snyder

Committee Members Absent

Mary Dennis
Michael Smith

Other Board Members Present

Rickey Childers

Staff Present

Bob Haynes
Mike Bratcher
Tamara Chafin
Lindsey Fields
Susie Green
Irvin Janak
Bo Joseph
Paula Marr-Ludwig
Mike Rains
Debby Mangum

Andres Garza called the meeting of the Texas Municipal League Intergovernmental Risk Pool Underwriting & Claims Committee to order at 3:00 p.m., October 25, 2019. Mr. Garza welcomed Mr. Robert Hauck, City Manager of Tomball, and asked the Committee members and staff to introduce themselves as this was his first Committee meeting.

Election of a Committee Chair

MOTION by David Harris, seconded by Robert Hauck, to reelect Andres Garza as Chair of the Underwriting and Claims Committee. Motion carried with unanimous approval.

Consideration of minutes of July 19, 2019 committee meeting (Tab 15)⁽¹⁾

MOTION by David Harris, seconded by Andres Garza, to approve the Underwriting and Claims Committee minutes of July 19, 2019, as written under Tab 15. Motion carried with unanimous approval.

Consideration of Purchase of Workers' Compensation Reinsurance (Tab 16)

Bob Haynes reported that quotes had been received by Guy Carpenter, LLC, the Pool's reinsurance broker, and nine markets had agreed to participate in providing the Pool with workers' compensation reinsurance in the \$10M excess of \$15M layer. The staff recommends purchasing the workers' compensation reinsurance.

MOTION by Robert Hauck, seconded by David Harris, to recommend to the Board the purchase of workers' compensation reinsurance as follows:

¹ All references to "Tabs" in these minutes are references to the Tabs in the Board of Trustee Agenda packet.

1. Retention of \$15 million and a limit of \$10 million at 100% (i.e. the Pool would not quota share in a loss between \$15 million and \$25 million.
2. \$10 million maximum any one life.
3. One reinstatement at 100%.
4. Terrorism included, but excluding nuclear, biological, chemical and radiological risks.
5. Rate on line 3.30%, or \$330,000 if the layer is fully placed. (If the Pool retained 20% above the reinsurance, the external costs would be reduced by \$66,000, but full placement is recommended.)

Motion carried with unanimous approval.

Significant cases and legal developments impacting the Pool (Tab 17)

Bo Joseph presented significant cases and legal developments impacting the Pool under Tab 17.

Liability and Property Claims Report on trends concerning liability claims and property claims (Tab 18)

Mike Rains presented the liability and property report on liability and property claim trends under Tab 18.

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

Mike Bratcher presented the Workers' Compensation Claims Report under Tab 19.

Underwriting Report on underwriting results and loss ratios, including the Quarterly Report by Victor O. Schinnerer & Company, Inc. regarding revenues received and policies placed on behalf of Pool Membership (Tab 20)

Paula Marr-Ludwig presented the Underwriting Report under Tab 20.

Loss Prevention Report on member surveys, training, and property valuations conducted (Tab 21)

Irvin Janak presented the Loss Prevention Report under Tab 21.

Report from Office of Project Management and Analytics, including report on Progress for Business Application & IT Road Map (Tab 13)

Lindsey Fields presented the report from the Office of Project Management and Analytics, including the report on Progress for Business Application and IT Road Map under Tab 13.

Subrogation Report (Tab 22)

Bo Joseph presented the Subrogation Report under Tab 22.

Member Services Report including Membership Activity (Tab 23)

Tamara Chafin presented the report on member services membership activity under Tab 23.

Adjournment

Andres Garza adjourned the meeting at 4:15 p.m.

Approved by the Underwriting & Clams Committee on
January 24, 2020

A handwritten signature in black ink, appearing to read "Robert G. Haynes", is written over a horizontal line.

Robert G. Haynes
Deputy Executive Director