

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF SAN BERNARDINO COUNTY  
AND RECORD OF ACTION**

**June 10, 2025**

**FROM**

**VICTOR TORDESILLAS, Deputy Executive Officer, Department of Risk Management**

**SUBJECT**

Renewal of Excess Workers' Compensation Insurance Program Through Public Risk Innovation, Solutions, and Management

**RECOMMENDATION(S)**

Approve the renewal of the County's Excess Workers' Compensation Insurance Program through Public Risk Innovation, Solutions, and Management, including non-standard terms, with statutory coverage limits in excess of a \$2,000,000 self-insurance retention and \$3,000,000 employer's liability coverage, for a total premium cost of approximately \$6,664,000, for the one-year period of July 1, 2025, through July 1, 2026, automatically binding for successive one-year terms until terminated by either party.

(Presenter: Victor Tordesillas, Deputy Executive Officer, 387-4717)

**COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

**Operate in a Fiscally-Responsible and Business-Like Manner.**

**FINANCIAL IMPACT**

Approval of this item will not result in the use of discretionary General Funding (Net County Cost). The total premium, which is estimated to be \$6,664,000, is due in July 2025 and to be paid from the following Department of Risk Management (DRM) workers' compensation self-insurance funds: County Workers' Compensation (4082) and JPA Workers' Compensation (4101). The cost of this premium will be recovered through the Board of Supervisors (Board) approved rates charged to County departments and Board-Governed Special Districts. Sufficient appropriation and revenue will be included in DRM's 2025-26 Recommended Budget.

**BACKGROUND INFORMATION**

DRM administers the County's self-insurance programs for public liability and workers' compensation claims and procures excess insurance policies for additional protection. On May 21, 2024 (Item No. 87), the Board approved the renewal of the Excess Workers' Compensation Insurance Program (Program) for the one-year period of July 1, 2024 through July 1, 2025 for the total premium cost of approximately \$6,301,000.

Approval of the Recommendation will provide a new one-year coverage period from July 1, 2025 through July 1, 2026, with a total renewal premium cost of approximately \$6,664,000. This represents an increase of \$1,210,256, or 22.20%, over last year's final premium cost of \$5,453,744. The increase is due to various factors, including a challenging insurance market for the public sector due to an increase in the size of claims, and an increase in employee payroll.

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On March 25, 2014 (Item No. 49), the Board approved a Joint Powers Authority Agreement (JPA) and Memorandum of Understanding (MOU) between the County and the California State Association of Counties-Excess Insurance Authority (CSAC-EIA), which granted eligibility for the County to purchase insurance through CSAC-EIA shared limits program. The MOU remains in effect until the County cancels its membership or until the CSAC-EIA Board of Directors cancels County participation with a majority vote. In 2020, CSAC-EIA changed its name to Public Risk Innovation, Solutions, and Management (PRISM).

Insurance policies purchased through the JPA includes terms that differ from the standard County contract and are non-negotiable. The non-standard term includes the following:

1. The policy automatically binds the County for successive one-year terms unless the County withdraws from the JPA or its membership is cancelled by a majority vote of the PRISM Board of Directors.
  - County policies 11-05 and 11-06SP1 do not permit indefinite terms or automatically renewing contracts except for end user license agreements, software/hardware licenses and subscriptions, and master service agreements or unless approved by the Board.
  - Potential Impact: The County is bound to renew the policies annually unless a notice of withdrawal is submitted in writing to the JPA at least sixty days prior to the end of the policy year.

DRM recommends the renewal of the Program, including non-standard terms, to protect the County's financial assets from liability arising from injuries and illnesses in the workplace. While renewal will automatically bind the County for successive one-year terms, Risk will return to the Board for annual increases to the policy premium.

DRM has consulted with Alliant Insurance Services, Inc., the County's insurance broker, as well as the department actuary, to explore cost saving options and it has been recommended that the County renew the Program through PRISM, the insurance carrier that provides the current coverage. The renewal of the Program through PRISM, the insurance carrier that provides the current coverage. The renewal maintains the Program's self-insured retention of \$2,000,000 per occurrence, the statutory workers' compensation limits, and the \$3,000,000 employer's liability coverage.

A final premium amount will not be available until closer to the actual renewal date due to the complexity of the negotiations PRISM engages in with multiple insurance carriers on behalf of the County and other insurance pool members to develop the County's Excess Workers' Compensation Insurance Program.

**PROCUREMENT**

As a member of the JPA, the County is eligible to purchase general liability insurance through the PRISM shared limits options. PRISM specializes in investigating and procuring insurance options on behalf the County, resulting in cost savings through volume discounts and shielding from insurance market swings, which minimizes risk and uncertainty at renewal time. The Purchasing Department supports this non-competitive procurement based on PRISM's specialized credentials, including their access to multiple brokers and extensive knowledge of the County's needs.

**REVIEW BY OTHERS**

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This item has been reviewed by County Counsel (Laura Feingold, Chief Assistant County Counsel, 387-5455) on May 1, 2025; Purchasing (Jessica Barajas, Supervising Buyer, 387-2065) on April 18, 2025; County Administrative Office (Diane Rundles, Assistant Executive Officer, 387-5572) on April 23, 2025; Finance (Ivan Ramirez, Administrative Analyst, 387-4020) on May 5, 2025; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on May 5, 2025.

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Record of Action of the Board of Supervisors  
San Bernardino County

**APPROVED (CONSENT CALENDAR)**

Moved: Joe Baca, Jr. Seconded: Curt Hagman  
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: June 10, 2025



cc: File - Risk Management  
JM 06/17/2025