

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

June 9, 2026

FROM

REBECCA SUAREZ, Director, Department of Risk Management

SUBJECT

Renewal of General Liability Insurance and Excess Liability Insurance Through Public Risk Innovation, Solutions, and Management

RECOMMENDATION(S)

1. Approve the renewal of insurance programs with Public Risk Innovations, Solutions, and Management, including non-standard terms, as listed below, for the period of July 1, 2026, through July 1, 2027, automatically binding for successive one-year terms until terminated by either party, for a combined estimated premium cost of approximately \$59,699,200:
 - a. Primary General Liability Insurance for Human Services Departments, with a \$3,000,000 coverage limit per occurrence, inclusive of \$500,000 self-insurance retention, for a premium cost of approximately \$8,706,500.
 - b. General Liability II Insurance with a \$25,000,000 coverage limit per occurrence, inclusive of \$3,000,000 self-insurance retention and \$2,000,000 aggregated loss corridor, for a premium cost of approximately \$43,949,400.
 - c. Optional Excess General Liability II Insurance with a \$50,000,000 coverage limit per occurrence, in excess of \$25,000,000, for a premium cost of approximately \$7,043,300.
2. Authorize the Chief Executive Officer, County Chief Financial Officer, or Director of Risk Management to execute the required documents or quotes necessary to enroll in the insurance programs and approve mid-term change orders for additional coverage, not-to-exceed 15% over the estimated renewal cost, for the period of July 1, 2026, through July 1, 2027, on behalf of the County, subject to County Counsel review.
3. Authorize the Purchasing Agent to approve change orders to purchase orders issued for the insurance program and premiums listed in Recommendation No. 1 for mid-term changes, subject to the limits referenced in Recommendation No. 2.
4. Approve **Memorandum of Understanding No. 26-453** for the Optional Excess Liability Program between the County and Public Risk Innovation, Solutions, and Management.
5. Authorize the Chief Executive Officer, County Chief Financial Officer, or Director of Risk Management to execute the Memorandum of Understanding for the Optional Excess Liability Program.
6. Direct the Director of Risk Management to transmit the Memorandum of Understanding for the Optional Excess Liability Program to the Clerk of the Board of Supervisors within 30 days of execution.

(Presenter: Rebecca Suarez, Director, 386-8621)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Improve County Government Operations.

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

**Renewal of General Liability Insurance and Excess Liability Insurance
Through Public Risk Innovation, Solutions, and Management
June 9, 2026**

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). The total premiums, which are estimated to be approximately \$59,699,200 are due in July 2026, and will be paid by the Department of Risk Management's (DRM) liability self-insurance funds. The cost of the premiums will be recovered through the Board of Supervisors (Board) approved rates charged to County departments and Board-Governed Special Districts. Sufficient appropriation and revenue are included in the current budget and will be included in DRM's 2026-27 Recommended Budget.

BACKGROUND INFORMATION

DRM administers the County's self-insurance programs for general liability and excess general liability insurance policies for additional protection. DRM maintains a primary general liability policy for Human Services Departments (HS), comprised of Transitional Assistance, Children and Family Services, Children's Network, Department of Aging and Adult Services, Department of Child Support Services, Preschool Services Department and Veterans Affairs Department due to the high frequency and severity of claims that may arise from the services they provide.

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.

On June 28, 2016 (Item No. 68), the Board approved an MOU between the County and the CSAC-EIA, granting the County eligibility to purchase general liability through the CSAC-EIA shared limits programs known as the General Liability I and General Liability II. The General Liability I (GL1) program provides coverage for specified HS departments, while the General Liability II (GL2) program provides broader Countywide general liability coverage. 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 include terms that differ from the standard County contract and are non-negotiable. The non-standard terms include the following:

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 60 days prior to the end of the policy year (May of the terminating year).

On June 10, 2025 (Item No. 106), the Board approved the renewal of the GL2 Insurance and the Optional Excess General Liability II Insurance (OEL) for the one-year period of July 1, 2025, through July 1, 2026, for the combined total premium cost of approximately \$33,613,000.

**Renewal of General Liability Insurance and Excess Liability Insurance
Through Public Risk Innovation, Solutions, and Management
June 9, 2026**

On June 10, 2025 (Item No. 108), the Board approved the renewal of the Primary GL1 Insurance for the one-year period of July 1, 2025, through July 1, 2026, for the total premium cost of approximately \$7,274,000.

DRM has consulted with Alliant Insurance Services, Inc., the County's insurance broker, as well as the DRM actuary, to explore cost-saving options, and it has been recommended that the County renew its GL1, GL2, and OEL insurance policies through PRISM, the insurance carrier that provides current coverage. The GL2 and OEL policies provide coverage for all general liability exposure not covered by a separate specific policy and will maintain the current coverage limits of \$50,000,000 inclusive of the \$3,000,000 self-insurance retention (SIR) and \$2,000,000 annual aggregated loss corridor, which will be payable by the County until eroded between one or more losses that exceed the SIR, for the entire policy period. Previously, optional excess coverage was included as part of the GL2 program. Starting this year, PRISM now requires a separate MOU for optional excess liability coverage, but otherwise the program will continue in a similar manner as provided in prior coverage years.

Approval of the Recommendation No. 1 will provide coverage for the GL1, GL2 and OEL policies from July 1, 2026, through July 1, 2027. The GL1 renewal premium cost of approximately \$8,706,500 represents an increase of \$1,281,500 or 17.26%, over last year's final premium cost of \$7,425,000. The GL2 and OEL combined renewal premium cost of approximately \$50,992,700 represents an increase of \$18,233,775, or 55.66% over last year's final premium cost of \$32,758,925. This increase is due to various factors, including a challenging insurance market for the public sector as a result of insurers leaving the market and an increase in size and frequency of claims.

A final premium amount will not be available until closer to the actual renewal date of July 1, 2026. Approval of Recommendation No. 2 will authorize the Chief Executive Officer, County Chief Financial Officer or Director of Risk Management to execute the required documents or quotes necessary to enroll in the insurance programs, on behalf of the County, to ensure a timely renewal process with no lapse in coverage. Additionally, Recommendation No. 2 will authorize the Chief Executive Officer, County Chief Financial Officer or Director of Risk Management to execute any subsequent documents or quotes necessary to approve mid-term changes to the policy referenced in Recommendation No. 1 for additional coverages, subject to a not-to-exceed limit of 15% over the total actual renewal cost.

Approval of Recommendation No. 3 will authorize the Purchasing Agent to approve change orders to purchase orders issued for the insurance program and premiums listed in Recommendation No. 1 for mid-term changes, subject to the limits referenced in Recommendation No. 2. Approval of Recommendation No. 3 will ensure continuous coverage and allow the County update coverage as needed.

Approval of Recommendation No. 4 will authorize the Chief Executive Officer, County Chief Financial Officer or Director of Risk Management to approve the MOU for OEL. This MOU is a new requirement from PRISM to enroll in the OEL insurance program and is effective July 1, 2026.

DRM recommends the renewal of the GL1, GL2 and OEL policies, including non-standard terms, to protect the County's financial assets from liability arising from services provided by the daily activities and services that it provides. While renewal will automatically bind the County for

**Renewal of General Liability Insurance and Excess Liability Insurance
Through Public Risk Innovation, Solutions, and Management
June 9, 2026**

successive one-year terms, DRM will return to the Board for annual increases to the policy premium.

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 of 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

This item has been reviewed by County Counsel (G. Ross Trindle III, Chief Assistant County Counsel, 387-5451) on May 31, 2026; Purchasing (Ariel Gill, Supervising Buyer, 387-2070) on May 15, 2026; and County Finance and Administration (Eduardo Mora, Administrative Analyst, 387-4376) on May 21, 2026

**Renewal of General Liability Insurance and Excess Liability Insurance
Through Public Risk Innovation, Solutions, and Management
June 9, 2026**

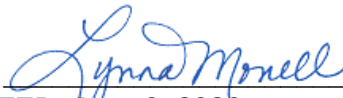
Record of Action of the Board of Supervisors
San Bernardino County

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 9, 2026



cc: Risk - Suarez w/agree for sign
Contractor - c/o Risk w/agree
File - w/agree

MBA 06/24/2026