ORANGE COUNTY SANITATION DISTRICT
Memorandum

May 20, 2020

TO: Chair and Members of the Board of Directors
James D. Herberg, General Manager

FROM: Lorenzo Tyner
Assistant General Manager

SUBJECT: FY 2020-21 Property – Liability Insurance Program

At the March Administration Committee and April Board meeting, staff and the Sanitation District's operational insurance broker presented information on OCSD's insurance program. The Committee requested that additional information, specifically regarding retention, and the CSRMA and PRISM (EIA) programs and how they might be appropriate for OCSD. Staff and our broker, Alliant, will provide a comprehensive presentation at the June Administration Committee meeting.

Retention

Retention refers to the amount of money an insured person or business is initially responsible for in the event of a claim. Also called a "Self-Insured Retention", or "SIR", it is akin to a deductible and premium tends to go down, as retentions go up.

Annually, as part of the renewal process, our insurance broker advises staff on various options regarding retention levels. Last year, we did receive an alternative option at $1 million retention for Property insurance (see table below). However, it was determined that the current structure (carriers/layout) of the program was most competitive based on what has historically been important to the District. The premium savings that would be achieved by doubling the retention to $1 million level was deemed not material relative to the increase in risk. Our broker has stated that an increase to $1 million would likely yield similar results in 2020.

2019 Property - Options at Varying Retentions

Each and Every Claim - Retention	Total Insurable Value (TIV)	Total Cost	Rate Per $100
500,000	2,173,424,381	$805,344	0.037
1,000,000	2,173,424,381	$767,128	0.035
Dollar Change	-	**($38,216)**	(0.002)
Percent Change	0.00%	-5%	0.047453

2020 Property - Options at Varying Retentions

After a review of the Program and its limits, we have determined that the historic $1 billion All Risk (AR) Limit is no longer sustainable. Flood is now viewed as a catastrophic exposure, in the same vein that the earthquake peril is viewed. The extensive flood limits previously provided are not sustainable. Although such limits can still be obtained as shown in Option 1, maintaining these limits would increase current premiums fivefold.

Category	Expiring	Option 1	Option 2	Option 3	Options 4
AR Program Limit	$1,000,000,000	$500,000,000	$500,000,000	$500,000,000	$500,000,000
AR Retention	$500,000	$500,000	$500,000	$1,000,000	$2,000,000
Flood Limits					
Zones A, V	$150,000,000	$150,000,000	$25,000,000	$25,000,000	$25,000,000
Zones All Other	$300,000,000	$300,000,000	$100,000,000	$100,000,000	$100,000,000
Premium Estimates	$805,344	$4,013,340	$983,340	$936,423	$889,506

2020 Excess Liability Retention Options

Changes to the Sanitation District Excess Liability retention from $500,000 to $1,000,000 results in minimal savings.

Excess Liability Retention Options Estimates			
Retention	2020 Premium Estimate	Savings/Cost From $500k Retention (Current)	Percent Savings/Cost
$250,000	$1,010,229	($314,479)	-45%
$500,000	$695,750	--	0%
$1,000,000	$609,477	$86,273	12%
$2,000,000	$417,450	$192,027	28%

Please note, the figures above are the best estimates based on current available information. These estimates may change between now and the receipt of final quotes in June.

California Sanitation Risk Management Authority (CSRMA)

The California Sanitation Risk Management Authority (CSRMA) provides broad coverage and risk management services to its members. Functioning as a Joint Powers Authority, CSRMA provides various services, including Pooled Liability, Primary Insurance, Property Insurance, Workers' Compensation, and Ancillary Coverages.

Based on these broad services, the Administration Committee requested staff research CSRMA's program to understanding the application process and to determine if they would be a cost-effective option for the Sanitation District.

CSRMA does not have written criteria for acceptance of new members, but rather is "open" and wants to be welcoming to all special districts that have wastewater operations in the State. Instead, their process is to have a Committee review application and determine eligibility based on loss history and whether they would be a net positive or net negative to the group based on that history.

There is an application fee to cover the initial cost of underwriting a new member, however, it would be waived for OCSD. There is a member application. This has been completed by staff and Alliant based on information on file.

To provide more detail on what CSRMA programs may be of assistance to OCSD, they have three main insurance programs, Property, Liability and Workers' Comp:

A. **Property** – CSRMA participates in the same Property Insurance Program that OCSD does, Alliant's Public Entity Program (APIP). We have a higher retention at $500K than the average CSRMA member, and although we are checking, it is unlikely that OCSD would see a benefit by participating in APIP through CSRMA when it currently participates directly.

B. **Workers' Compensation** – The CSRMA Workers' Compensation program is a primary program, meaning members have no deductible. As such, it is not a good fit for OCSD as it carries $1 million retention. Premium in CSRMA's program therefore would be much higher, and the process involving administering claims would be much different, likely in a way that would be unacceptable to OCSD. (Claims control).

C. **Liability** – We are pursuing an option here whereby OCSD could join CSRMA's "Pooled Liability Program". The mechanics of this likely would need to be different than for the average CSRMA member, as OCSD is significantly larger, and both parties would likely be better off not sharing losses with one another in the typical formula that governs the member cost relationship. Rather, it was believed that an arrangement where the parties group purchases excess insurance could provide a benefit to both, so this was pursued.

There may be opportunities where both CSRMA and OCSD would benefit in a closer relationship in the area of Safety and Loss Control. Both entities have highly developed safety and loss control programs, so a closer relationship in this area would likely sharpen both programs.

Attached is the response from CSRMA regarding OCSD's inquiry regarding membership and rates. Based on staff research and the attached response from CSRMA, it does not appear that CSRMA is a good option for OCSD for any lines of coverage at this point in time, although it may behoove us to keep lines of communication open with CSRMA for possible future opportunities.

Public Risk Innovation, Solutions, and Management (PRISM)

Additionally, the Administration Committee, requested that staff research Public Risk Innovation, Solutions, and Management (PRISM) (formerly known as (CSAC EIA). PRISM is a member directed risk sharing pool.

In 1979, 29 California counties formed CSAC Excess Insurance Authority, a Joint Powers Authority, pursuant to Article 1, Chapter 5, Division 7, Title 1, of the California Government Code (Section 6500 et seq.). The sole purpose of this new JPA was to find cost-effective insurance solutions and risk management services for members.

In 2020, the EIA became Public Risk Innovation, Solutions, and Management. PRISM's successful approach to insurance has been noticed across the state of California. Membership has expanded to include 95% of counties, 70% of cities, as well as educational organizations, special districts, housing authorities, fire districts, and 27 other Joint Powers Authorities. In 2019, the Board of Directors approved expanding outside of California.

OCSD has long participated in its Excess Workers' Compensation Program. Staff has received feedback from PRISM regarding OCSD's potential participation in their Property and Excess Liability Programs (see the attached letter).

Based on OCSD's size, staff research and the attached letter from PRISM, it appears OCSD's inclusion into PRISM at this time does not work financially, and again, it may behoove us to keep lines of communication open with PRISM for possible future opportunities.

Status/Description of OCSD Current Program

The Sanitation District's budget provides funds for the renewal of the following four (4) major insurances for Sanitation District operations:

1) **Excess General Liability Insurance**
   The Sanitation District's Excess General Liability Insurance Program is currently provided through the Alliant National Municipal Liability Program (ANML). The Sanitation District has participated in the ANML, and its predecessor namesake, the California Municipal Excess Liability Program (CAMEL), since FY 1996-97.

   This program currently provides the Sanitation District with a $40 million limit of comprehensive coverage for municipal liability, bodily injury and property damage, and personal injury. The program was structured to also include Employment Practices and Public Officials Errors & Omissions coverage. The $40 million coverage has a self-insured deductible of $500,000. Since 1997, the Employment

Practices portion of coverage has been enhanced from a $2 million sub-limit to the full policy limit of $40 million.

The limits are provided by three carriers in a layered structure, Security National, Berkley National and Great American. See attached list of carriers that our broker is currently engaged with in the renewal marketing process.

2) **Excess Workers' Compensation**
The Excess Workers' Compensation insurance coverage is with the California State Association of Counties Excess Insurance Authority (CSAC EIA). The Sanitation District has participated in this program or its predecessor since 2003. The Excess Workers' Compensation program currently provides "Statutory" (unlimited) coverage with a self-insured retention (SIR), or deductible, of $1 million. The use of Excess Workers' Compensation Insurance dates back to the late 1980's.

3) **All-Risk Property and Flood Insurance (Includes Boiler & Machinery Insurance)**
The All-Risk Property and Flood Insurance Program (Property Insurance) provides comprehensive coverage for much of the Sanitation District's real and personal property and business interruption from all perils not excluded, including fire and flood. The most significant peril excluded is earthquake, as is the peril of pandemic.

To obtain property insurance, the District participates in the Alliant Public Entity Property Insurance Program, a group purchase insurance program with thousands of public entity participants. In operation since the '90s, the program provides extreme buying power for public agencies with a breadth of coverage not found in the open commercial insurance market.

For OCSD, current Property Insurance limits are $1 billion for most perils other than flood, and a $150 million flood limit for buildings located in Zones A&V and $300 million for buildings in all other flood zones. Generous sub-limits for various situations are provided for as standard offerings. Earthquake coverage is purchased separately for specific buildings.

In order to provide a complete set of coverage with a maximum of $1 billion in limits, the Program utilizes the global insurance marketplace with 20 different insurers taking a different degree of risk in a layered and quota-share structure. See list of current carriers attached. The SIR is $500,000 per occurrence for most types of losses. Given the overall extreme tightening in the insurance market, it is believed that in order to keep the price of coverage somewhat comparable to the expiring at the same retention that the final limit of coverage for the Program will drop from $1 billion to $500 million. Given the value, construction type, and spread of the facilities relative to the expected cost to keep the limit at $1 billion, it is believed that the $500 million limit would be sufficient for a worst case scenario for coverages provided in the program, primarily, fire.

The Boiler & Machinery Insurance Program, part of the property insurance, provides comprehensive coverage for loss caused by machinery breakdown and explosion of steam boilers or other covered process equipment, including damage to the equipment itself and damage to other property caused by covered accidents. The current Boiler & Machinery Insurance Program provides coverage of $100 million per occurrence with deductibles ranging from $25,000 to $350,000 for losses caused by covered machinery breakdown (e.g., motors, steam turbines, digesters, co-gen engines). Damages to the equipment, as well as damages to other property and improvements caused by the machinery breakdown, are covered by the Boiler & Machinery Insurance. This program augments the Sanitation District's All-Risk Property Insurance that covers perils such as fire and flood.

4) **Earthquake Insurance**
The District purchases a separate earthquake policy with limits of $25 million on specific buildings valued at approximately $160 million deemed to be important to the operations of the District. The goal of the purchase is to provide limited cover for the peril of earthquake in a manner that is relatively inexpensive and does not place an excessive burden on the budget. From time to time, usually annually, the District considers adding structures to the earthquake insurance schedule.

LT:clr
Attachments

- Letter from CSRMA to John Preston – May 11, 2020
- Letter from Alliant to John Preston – May 18, 2020
- Current Property Insurers
- 2020 Excess General Liability Markets Approached

CSRMA California Sanitation Risk Management Authority

c/o ALLIANT INSURANCE SERVICES, INC.
100 Pine Street, 11th Floor, San Francisco, CA 94111-5101

Insurance License No.: 0C36861
Tel: 415.403.1400 Fax: 415.874.4813

May 11, 2020

Mr. John Preston
Risk Management Division
Orange County Sanitation District
10844 Ellis Avenue
Fountain Valley, CA 92708

Orange County Sanitation District
<u>Participation in CSRMA Programs</u>

Dear John:

We are pleased to learn of the District's interest in CSRMA coverage programs and appreciate your providing us with enough information about the District to make informed sense about potential participation. CSRMA, a joint powers authority (JPA), was formed in the late 1980's to use risk pooling and group purchase strategies to serve the insurance and risk management needs of the California sanitation industry. Over the years, we have developed coverage offerings that have worked very well for our 58 member agencies. We are dedicated to our members, and are effectively owned collectively by them. Accordingly, we welcome the participation of eligible agencies in the JPA, which of course, OCSD has always been one.

A review of the material supplied reveals that OCSD is quite a bit larger than our average member, and almost double the size of our single largest member, using our standard metrics. This size disparity presents unique issues for participation in CSRMA programs based both on whether cover can be offered at price points that are attractive relative to what the District currently obtains in the commercial market, and whether the risk sharing formulas in CSRMA's pooling programs would remain equitable to OCSD and the rest of the membership given the size disparity. The impact of these topics will become evident as we work through our cost estimates for participation in each of CSRMA's three key programs, below.

<u>Workers Compensation</u>

CSRMA's workers' compensation program is structured without a deductible (retention) for the members. This allows members to transfer 100% of their workers' compensation risk to the pool and obtain uniform, high quality claims administration service that is attuned to the needs of the membership. It is designed to be a "plug and play" system for the members, as much as that is possible in the complex workers' compensation environment. Notably, OCSD currently carries a million dollar retention on its workers' compensation program which is obviously a significant difference to our offering.

In practice, this means that the District's premium (deposits into the risk sharing pool) to CSRMA would be several magnitudes higher in dollars than the premium the District currently pays to its excess insurer. While this is "neither good nor bad", as one expects premium to rise as risk is reduced, the standard way to measure this tradeoff is with the "total cost of risk" concept. Using the District's most recently available actuarial study and its current excess insurance cost relative to CSRMA's expected 2020-21 cost reveals a meaningful cost differential in the total cost of risk:

Workers Comp Cost Item	**OCSD 2019-2020 Program Cost Estimate**	**CSRMA Program 2020-21 Cost Estimate**
Retained Layer Funding *	1,456,560	N/A
Pool Deposit	N/A	1,826,929
Excess Insurance	217,762	Included
Total Cost	1,674,322	1,826,929

* From BRS Actuarial 6/1/18 - Ultimate, Discounted, 80% CL, adjusted for ***general*** inflation at 2%

Therefore unless the District expects a significant change in the cost of its 2020-21 program, on a pure ultimate cost basis, the District would likely be better off in its existing structure rather than with the CSRMA Program. Beyond cost, CSRMA's program would require District claims to be handled by CSRMA's third party claims administration (TPA) firm, and we imagine that OCSD is likely comfortable in its current relationship. For these reasons, we don't see our workers' compensation program being a good fit for the District right now. If the District is interested in pursuing a quote for the 2021 starting fiscal year, we would recommend face to face discussions to be sure that the District would be happy for the ***long run*** inside CSRMA's workers' compensation program, as due to the risk sharing formulas, participation works best on a multi-year basis.

Property Program

We have reviewed the District's property insurance specifications and note that the District participates in the same insurance program that CSRMA does, that is to say, the Alliant Property Insurance Program (APIP, f.k.a. PEPIP). We have reached out to the APIP underwriters, most notably those at the Lexington Insurance Company (AIG) about participation. They report that while they have no objection to the District accessing APIP coverage through CSRMA, because it is the "same risk" that they underwrite currently, there would be no discernable difference in cost as the District's premium would just be added to CSRMA's premium and then allocated back through CSRMA to the District. This aside, and all things equal, APIP through CSRMA would actually cost a bit more for the District, as the JPA would need to allocate a portion of its overhead charge associated with its program to the District.

More notable however than any nominal cost change, is that in reviewing the District's current coverage in APIP, we have learned that the District has more extensive flood coverage than is currently provided to CSRMA members, and in the current environment, we would **not** be able to guarantee that OCSD would be able to keep what looks to be very favorable terms for flood coverage inside CSRMA's program. For this reason, we do not believe that under the current circumstances, CSRMA's property program is a better fit for the District rather than accessing APIP directly. Simply put, we would hate to see the District pay more, and jeopardize the flood cover that it has.

<u>Public Entity Liability</u>

Larger members in CSRMA obtain general liability coverage in our Pooled Liability Program (PLP). Coverage in the PLP is granted by a Memorandum of Coverage (policy) that is largely similar in scope to a standard public entity general liability offering from an insurer. Members ***share risk*** with one another between the amounts of their own deductible and where the pool's reinsurance, attaches. The Program's reinsurance attaches at $500,000 which coincidentally is the current level of the District's retention in its own liability program. Limits of $25,500,000 are provided largely by our reinsurance partner, MunichRe. CSRMA's program runs on a calendar year basis rather than fiscal, so there are timing issues that would need to be resolved, but a best estimate of a cost comparison at this point in time would be as follows:

Excess Liability Cost	OCSD 2019 - 500k Ret. - **$40MM** Limit	CSRMA 2020 - Est. $500k Ret. **$25M** Limit
Funding for Retained Layer*	571,589	571,589
Pool Deposits/Overhead	N/A	75,000
Excess Ins. Expense**	515,371	710,215
Total:	1,086,960	1,356,804

*From BRS Actuarial Study – Discounted, at 80% Confidence Level
**Excess Ins. Expense at 2019 for OCSD, projected 2020 for CSRMA

Therefore, again, unless the District is expecting a significant increase in the cost of its excess insurance, there does not appear to be a cost advantage to the District by participating in the CSRMA pool. It is also important to note that that the current District program provides $15MM more in limits than does the CSRMA program, which would need to be resolved to arrive at a true "apples to apples" comparison. Beyond pricing or coverage comparisons between the pool and the District's current program, there are structural considerations to take note of when wishing to participate in the pool. Most notably, because members of the pool share risk according to a formula, uniform claim handling standards are required. Members in the program must engage assigned personnel of the pool's claims administration firm, Carl Warren and Company. Further, the Program has a few critical policies and procedures that all members must adhere to. Most notably, as respects legal defense, barring specific circumstances, defense counsel may only be selected from the pool's approved panel of attorneys. While this and other operational procedures work well for current members, assuring professional, uniform and cost-effective claim handling, an organization the size of OCSD may not desire such uniformity of process.

Conclusion

We are acutely aware that insurance market has been in an extreme state of flux over the past year, and even more so over the past few months due to the COVID-19 issue. Our expectation is that this will continue be the case for the foreseeable future. Rightly, people are vigorously investigating all coverage options available to them. Unfortunately it does not appear that that CSRMA programs, as currently structured would necessarily be attractive to the District relative to its current program. As strong proponent of CSRMA this is not a "happy" conclusion for me to reach, but from working though the material, it is clear to me that the Programs that CSRMA has built and implemented are quite simply not designed for organizations with the size of the District.

CSRMA does however see advantages to a closer working relationship with the District and I would like to offer up the possibility of meeting with you to discuss the broader nature of an OCSD CSRMA relationship at a point in time that is mutually convenient. There may very well come a time where the numbers shift, and the math could work out much differently, such that we would do well to have discussed the many operational issues in inherent participating in a risk sharing JPA beforehand. To this end, I am attaching a copy of our JPA Agreement that all members are signatories on, as well as copies of our Pool Programs, and Property Program Participation Agreements.

We are always willing to discuss topics of mutual interest with those operating within the industry, be they insurance, risk management or "other". I would hope that you would not hesitate to contact me with any questions you may have about the contents of this letter, or any other matters of concern.

Sincerely,

Seth

Seth Cole
Program Administrator
(415) 403-1419
scole@alliant.com

cc: Greg Baatrup, President CSRMA
Dennis Mulqueeney, Alliant Insurance Services

May 18, 2020

Mr. John Preston
Risk Management - Division 260
Orange County Sanitation District
10844 Ellis Ave.
Fountain Valley, Ca. 92728

2020 Quotations for Coverage
Property and Excess Liability
Public Risk Insurance Solutions and Management (PRISM)

Dear John:

We have completed our discussions with PRISM (formerly known as CSAC-EIA) concerning coverage for OCSD in its Property and Excess Liability Programs. As you know, OCSD has long been a member of this Joint Powers Authority, securing excess workers compensation coverage from it for many years. While PRISM would look very favorably upon OCSD participating in its programs beyond excess workers' compensation, for the reasons outlined below, it does not appear that either the Property or Excess Liability programs of PRISM would make much sense for OCSD in the current environment.

Excess Liability

PRISM has reviewed OCSD's application material submitted in order to provide an indication of the cost of coverage in its GL1 Program, the most appropriate program for an entity such as OCSD. Although terms and conditions of coverage are not identical to OCSD's current program (likely all things equal, besides limits of cover, the GL1 Program would likely be broader) they are similar enough in intended scope, providing general, automobile, professional and public official's liability coverage on an occurrence basis, to be comparable. A comparison of the total cost of risk for participation in GL1at OCSD's current retention would be as follows:

Excess Liability Cost	OCSD 2019 - 500k Ret. - **$40MM** Limit	PRISM - 2020 Est. $500k Ret. **$25M** Limit
Est. Funding for Retained Layer*	571,589	571,589
Program Overhead	N/A	Incl.
Excess Ins. Expense**	515,371	1,112,000
Total:	1,086,960	1,683,589

*From latest BRS Actuarial Study - Discounted at 80% CL
**Excess Ins. Expense at 2019 for OCSD, projected 2020 for PRISM

Note, that in comparison to its expiring program, GL1 would be significantly more expensive providing ***less*** total limits of coverage. While on its face, the difference is dramatic, it is important to note that the excess liability insurance market is hardening almost daily, and we are expecting a significant increase in the cost of the District's expiring 2019 program shown above. Therefore, unless renewal costs of the existing program significantly exceed our current estimates, we don't believe participation in GL1 is an attractive option for the District at this time.

Property Program

PRISM reviewed the District's property insurance specifications and a summary of the current coverages. PRISM lead underwriters at Lexington Insurance Company (AIG) report that they currently insure the District through Alliant's Property Insurance Program (APIP) and for this reason, would be "competing with themselves" if they offer a quotation. While they would have no objection to the District accessing Lexington through the PRISM Property program rather than through APIP, because it is the "same risk" underwritten currently, there would be no discernable difference in cost to the District.

This said, in reviewing the District's current coverage in APIP, it was noted that the District has significantly higher limits of flood coverage than is currently available in the PRISM program. From Lexington's vantage, these have been "grandfathered in" from a time when the property market was viewing flood risk much more favorably than it does today. PRISM would not be able to offer such flood limits. As a side note on this topic, I would point out that although we have not yet received renewal terms for the District from APIP, there may be some difficulty at keeping the current flood limits intact this year. Further, the PRISM Property Program runs on a coverage term of March 31st to March 31st so if the District would prefer to participate in the PRISM Property program a reconciliation to the Districts' current fiscal year coverage dates would need to occur, along with some discussion regarding required policies and procedures of participation.

John, from time to time in previous years, OCSD would meet with representatives from PRISM to discuss their JPA and its coverage offerings. If you would like me to schedule such a meeting in the future, I would be very happy to do so.

Sincerely,

Dennis Mulqueeney, MBA, CPCU
Senior Vice President
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dmulqueeney@alliant.com

Alliant Property Insurance Program
2019-2020 Policy Year
Schedule of Insurers

Company	A.M. Best's I.D. #	A.M. Best's Guide Rating	Standard and Poor's	State of California
Arch Specialty Insurance Company	012523	A+, Superior; Financial Size Category 15; $2,000,000,000 to greater (As of 10/11/18)	A+ (As of 06/25/18)	Non-Admitted
Aspen Insurance UK Limited	084806	A, Excellent; Financial Size Category 15; $2,000,000,000 or greater (As of 03/01/19)	A (As of 06/26/18)	Non-Admitted
Chubb European Group Limited	086485	A++ , Superior; Financial Size Category 15; $2,000,000,000 or greater (As of 12/13/18)	AA (As of 06/24/16)	Non-Admitted
Endurance Worldwide Insurance Limited	083234	A+, Superior; Financial Size Category 15; $2,000,000,000 or greater (As of 07/20/18)	A+ (As of 04/26/18)	Non-Admitted
Evanston Insurance Co.	003759	A, Excellent; Financial Size Category 15; $2,000,000,000 or Greater (As of 12/19/18)	A (As of 07/27/17)	Non-Admitted
Hallmark Specialty Insurance Co.	010838	A-, Excellent; Financial Size Category 8; $100,000,000 to $250,000,000 (As of 08/23/18)	Not Rated (As of 04/22/19)	Non-Admitted
Homeland Insurance Company of New York	010604	A+, Superior; Financial Size Category 15; $2,000,000,000 or greater (As of 03/08/19)	Not Rated (As of 04/22/19)	Non-Admitted
Interstate Fire and Casualty Ins. Co.	02267	A+, Superior; Financial Size Category 15; $2,000,000,000 or greater (As of 08/30/18)	AA (As of 03/17/16)	Non-Admitted
Ironshore Specialty Insurance Company	013866	A, Excellent; Financial Size Category 15; $2,000,000,000 or greater (As of 05/16/18)	A (As of 05/02/17)	Non-Admitted
Lancashire Insurance Company (UK) Ltd.	078390	A, Excellent; Financial Size Category 12; $1,000,000,000 to $1,250,000,000 (As of 10/24/18)	A- (As of 02/28/18)	Non-Admitted
Landmark American Insurance Co.	012619	A+, Superior; Financial Size Category 14; $1,500,000,000 to $2,000,000,000 (As of 11/02/18)	A+ (As of 04/18/18)	Non-Admitted

Alliant Property Insurance Program
2019-2020 Policy Year
Schedule of Insurers

Company	A.M. Best's I.D. #	A.M. Best's Guide Rating	Standard and Poor's	State of California
Lexington Insurance Company	002350	A, Excellent; Financial Size Category 15; $2,000,000,000 or Greater (As of 06/20/18)	A+ (As of 06/06/17)	Non-Admitted
Liberty Mutual Fire Insurance Company	002282	A, Excellent; Financial Size Category 15; $2,000,000,000 or Greater (As of 05/16/18)	A (As of 06/17/14)	Admitted
Lloyd's of London	085202	A, Excellent; Financial Size Category 15; $2,000,000,000 or Greater (As of 07/12/18)	A+ (As of 10/12/17)	Non-Admitted
Maxum Indemnity Company	012563	A+, Superior; Financial Size Category 15; $2,000,000,000 or Greater (As of 08/02/18)	Not Rated (As of 04/22/19)	Non-Admitted
PartnerRe Ireland Insurance Ltd.	088621	A, Excellent Financial Size Category 15; $2,000,000,000 or Greater (As of 06/15/18)	A+ (As of 09/07/16)	Non-Admitted
QBE Specialty Insurance Company	012562	A, Excellent; Financial Size Category 15; $2,000,000,000 or Greater (As of 06/13/18)	A+ (As of 06/30/18)	Non-Admitted
Westchester Surplus Lines Insurance Company	004433	A++, Superior; Financial Size Category 15; $2,000,000,000 or Greater (As of 12/13/18)	AA (As of 06/24/16)	Non-Admitted
Westport Insurance Corporation	000347	A+, Superior; Financial Size Category 15; $2,000,000,000 or Greater (As of 12/13/18)	AA- (As of 10/28/11)	Admitted
XL Insurance America Inc.	002423	A+, Superior; Financial Size Category 15; $2,000,000,000 or Greater (As of 12/06/18)	AA- (As of 11/19/18)	Admitted
United Specialty Insurance Company	013105	A, Excellent; Financial Size Category 9; $250,000,000 to 500,000,000 (As of 12/19/18)	Not Rated (As of 04/30/19)	Non-Admitted

Alliant National Municipal Liability Program
2020-2021 Policy Year
Schedule of Insurers Approached

Excess Casualty Markets	
Great American	ProSight
Markel	Sompo / Endurance
Canopius (previously ATL)	Swiss Re
Everest	Tokio Millennium
Scion	Transatlantic Re
Munich	Travelers
Safety National	United Educators
Berkley	Allied Public Risk (APR)
Brit	Old Republic
Chubb	QBE
AIG / Lexington	Arch Re
Allianz Risk Transfer (ART)	Argo Re
Ategrity	Ascot Syndicate
Axis Re	AWAC Syndicate
Berkshire Hathaway	Axa Re
Euclid	Hamilton Re
Genesis/General Star	Third Point Re
GenRe	XL Re
Great American Custom	Aspen Re
Hallmark	Convex
Hamilton Specialty	Hiscox Syndicate
Hudson Structure	Markel Dublin
IAT Re	Renaissance Re Syndicate
Liberty Mutual	Scor Re
Navigators	Partner Re
Odyssey Re	