



COUNTY OF HUMBOLDT

For the meeting of: 6/9/2026

File #: 26-546

To: Board of Supervisors

From: Human Resources

Agenda Section: Consent

Vote Requirement: Majority

SUBJECT:

Amendment of Public Risk Innovation, Solutions, and Management Joint Powers (PRISM) Agreement

RECOMMENDATION(S):

That the Board of Supervisors:

1. Authorize the Risk Manager Amanda Phillips to sign and execute the proposed amendment to the PRISM Joint Powers Agreement (Attachment 1); and
2. Authorize the Risk Manager to sign and execute future amendments to the PRISM Joint Power Agreement, after review and approval by County Counsel and the County Administrative Office, and all documents to obtain and maintain necessary insurance coverage; and
3. Authorize the Chair of the Board to sign and seal the resolution (Attachment 4) which approves the amendments to the Joint Powers Agreement; and
4. Return sealed and certified copy of the resolution to Risk Manager, Amanda Phillips.

STRATEGIC PLAN:

This action supports the following areas of your Board's Strategic Plan.

Area of Focus: Workforce & Operational Excellence

Strategic Plan Category: 9999 - Core Services/Other

DISCUSSION:

PRISM was formed by and for the California counties in 1979 by the California State Association of Counties (CSAC). Today, 54 out of the 58 counties in California participate in one or more of the PRISM programs. In 2001, PRISM expanded its offerings to other California public agencies. At this point, over 70% of the cities in California participate in one or more of the PRISM programs. In addition, a variety of special districts, school districts, and JPAs also participate in PRISM Programs. PRISM is recognized as the largest public entity property and casualty pool in the United States.

After 25 years of having public entity members participate in PRISM, the members of PRISM have proposed to update the composition of the Board of Directors to recognize the partnership that the counties have with the public entity members. At present, the PRISM Board of Directors is composed of 54 county members (all county members have a voting position on the Board of Directors) and seven public entity voting spots for a total of 61 voting members. There are also three alternates for the public entity votes, but they only stand in place of the seven voting spots, and not in addition to. The proposal is to add 10 additional voting public entity board seats so that the total number of public entity voting seats will be 17 (with three additional alternates)

instead of seven (with three additional alternates). This results in a total of 71 voting Board of Directors seats. Under this proposal, the counties will have a total of 76% of the total voting Board of Director seats.

In addition, the PRISM members have also proposed to update the composition of the Executive Committee which oversees the day-to-day activities of the organization. Currently, the executive Committee has 11 members, and the proposal is to increase the number to 13 with an additional two alternates. The Executive Committee members are elected by the Board of Directors. The other changes that are proposed are updates to the agreement that reflect the current operations of the organization and remove the word insurance from the document since the organization is a pool, not insurance.

These proposed changes were discussed with PRISM's Executive Committee and various committee chairs at a strategic planning retreat in November 2022. The discussion largely centered around the idea that public entities have been members of the organization since 2001, have participated in governance of the organization by serving on PRISM Committees, and approximately half of the contributions made to PRISM each year are from the public entity members while the other half is from counties. It was felt by the group that the organization should reconsider the size and function of the Board of Directors, including what it delegates to others and whether to eliminate the distinction between counties and public entity members in the governance process. The composition of the Executive Committee was also discussed.

Thereafter, the Executive Committee tasked the Governance Sub-Committee with reviewing the JPA Agreement and proposing amendments to reflect its desire to expand governance opportunities for the public entity members and participation on the Executive Committee. The Governance Sub-Committee did so and those proposed changes were then reviewed by the Executive Committee and the Board of Directors. PRISM has also made some other amendments to the agreement to "clean up" the document to coincide with current practices and the future vision of the organization and to remove the word "insurance" from the agreement since the JPA is a risk sharing pool that provides excess coverage for members and risk-sharing pools are not "insurance" under the law.

Recommendation:

Based on the information provided above, staff recommends that the Board of Supervisors authorize the Chairperson to execute the resolution attached and delegate signatory authority to the Risk Manager, Amanda Phillips to sign the amendment for the Joint Powers Agreement of Public Risk Innovation, Solutions and Management.

Prior Board Action(s): Below is a listing of dates the JPA has been amended.

- 1979 - Authorized participation in CSAC Excess Insurance Authority
- 1980 - Approved amendment to Joint Exercise of Powers Agreement
- 1987 - Approved amendment to Joint Exercise of Powers Agreement
- 1988 - Approved amendment to Joint Exercise of Powers Agreement
- 1993 - Approved amendment to Joint Exercise of Powers Agreement
- 1996 - Approved amendment to Joint Exercise of Powers Agreement
- 2005 - Approved amendment to Joint Exercise of Powers Agreement
- 2020 - Approved amendment to Joint Exercise of Powers Agreement

SOURCE OF FUNDING:

County Insurance Internal Service Fund (3520)

FINANCIAL IMPACT:

There is no direct cost associated with executed the amended JPA with PRISM. However, participating in the PRISM JPA brings significant benefits and cost savings to the county's coverage programs.

STAFFING IMPACT:

Staff regularly participate in PRISM discussions related to the JPA's services. In addition, staff rely on PRISM for a variety of consulting services, guidance and resources, and risk management tools available to member agencies. This reduces time to implement and maintain programs, saving staff time.

OTHER AGENCY INVOLVEMENT:

N/A

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Your Board could choose not to approve this recommendation, however that is not recommended as Risk Management requires this agreement to continue utilizing PRISM as the county's insurance carrier

ATTACHMENTS:

1. Clean Version of the Amended Joint Powers Agreement
2. Redline Version of the Proposed Amended Joint Powers Agreement
3. Summary of Proposed Changes to the Joint Powers Agreement
4. JPA County Resolution document to be signed and stamped

PREVIOUS ACTION/REFERRAL:

Meeting of: May 19, 2020

File No.: 20-600