



**CSAC EXCESS
INSURANCE AUTHORITY**
A Public Agency

May 17, 2010

To: Chairs of the Boards of Supervisor
CSAC Excess Insurance Authority Member Counties

Re: 2009 CSAC Excess Insurance Authority Annual Report

BOARD OF SUPERVISORS
 2010 MAY 19 A 11:50

I am pleased to provide you with your copy of the 2009 CSAC Excess Insurance Authority Annual Report. This report is designed to provide a summary of the EIA's programs, services, membership and financial condition.

If you have any questions or would like additional copies of the report, please contact me at jblushi@csac-eia.org or (916) 850-7341.

Respectfully,

Jessica Blushi, ARM-P, AIS
Risk Manager/Pool Administrator

Enclosure

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EXECUTIVE COMMITTEE:

Lance Sposito President Santa Clara County	Jim Sessions Vice President Riverside County	Peggy Scroggins Colusa County	Larry Moss East Bay Regional Park District	Ron Grassi El Dorado County	Scott Schimke Golden State Risk Mgmt. Authority	Kristin McMenomey Mendocino County	James Brown Merced County	Richard Pietz San Joaquin County	Peter W. Huebner Sierra County	David L. Dolanar Stanislaus County
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Chief Executive Officer: Michael Fleming

Legal Counsel: Stephen Underwood, Santa Barbara County

Chief Operating Officer: Gina Dean



CSAC Excess Insurance Authority
2009 Annual Report



Mission Statement _____



The *CSAC Excess Insurance Authority* is a member-directed risk sharing pool committed to providing risk coverage programs and risk management services which are:

- Competitive** providing programs which are competitive in scope and price over the long term

- Available** endeavoring to make available programs which are flexible in meeting member needs

- Responsive** delivering quality, timely services in claims management, loss control, education and communications

- Equitable** allocating costs and services between various members in a fair and consistent manner

- Stable** ensuring cost-effective, fiscally prudent operations and staffing which maintain financial strength and solvency

Who is the EIA? _____

- a member-directed risk sharing pool of counties and other public entities committed to providing risk coverage programs and risk management services
- recognized as a leader and pioneer in the JPA risk management community
- the first insurance JPA in the State of California to receive the Government Finance Officers Associations' Certificate of Excellence in Financial Reporting (FYE 6/30/94 through FYE 6/30/08)
- achieved the California Association of Joint Powers Authority's highest designation, "Accreditation with Excellence" continuously since 1989
- earned the Association of Governmental Risk Pools recognition in 2007
- one of an estimated 150 joint powers insurance authorities currently operating in California

What does the EIA offer its members?

Most importantly, our Competitive Advantage

- volume discounts
- blending of self-insurance and insurance
- responsiveness to members' needs
- long-term relationships

Available Coverages

- workers' compensation (primary and excess)
- general and automobile liability (primary and excess)
- employment practices liability
- errors and omissions
- property
- medical malpractice
- employee health and benefits
- many other coverages for public entity exposures

Services

- loss prevention
- online training
- technology
- legislative review and advocacy
- many cost containment service programs

Resources

- message board/inquiry forum
- informational website
- exclusive website area for member-specific information

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Letter to our Members _____

October 13, 2009

California State Association of Counties
Excess Insurance Authority (EIA)
3017 Gold Canal Drive
Rancho Cordova, California 95670



Dear EIA Members and EIA Staff:

The business year of the Excess Insurance Authority and my term as your President of the organization are coming to a close. As I reflect over this past year and look to the future, I trust we will maintain the unique strengths of our large and dynamic, member-directed risk management and insurance authority. These strengths, combined with the corresponding success of the Excess Insurance Authority, are wholly found in member participation with guidance and support from a very competent and dedicated staff.

Member involvement is a continuing commitment by our member entities to a mission statement that assures equitable, competitive, and effective programs and services. This risk sharing pool has now risen to be one of the most prominent and largest of its kind in the nation and the diversity of our member entities and the commitment to self-governance is a source of pride and accomplishment for all of us. Member involvement, participation, and engagement in the operation of the Excess Insurance Authority, particularly at a time when local and national economic and social pressures are so prominent in our day to day life, become the cornerstone of our continued success.

Likewise, an additional cornerstone to the continued success of the Excess Insurance Authority is the dedication, responsiveness, and integrity of the staff. I am so proud of the competence and passion of our entire staff. I can tell you that we are in exceptionally good hands. The loyalty of our staff blended with the camaraderie and mutual respect that has developed between staff and member entities is truly unique. I am very thankful and honored to have been associated with them over this past year as your President.

I am very proud to have experienced the honor of leading this organization over the past year serving as its President and extend my support and sincere congratulations to incoming President, Lance Sposito of Santa Clara County, and Vice President Jim Sessions of Riverside County. My warm regards to you all.



California State Association of Counties
Excess Insurance Authority

Peter W. Huebner
President, CSAC Excess Insurance Authority

Organizational Profile _____

CSAC Excess Insurance Authority was formed as a joint powers authority in 1979, pursuant to Article 1, Chapter 5, Division 7, Title 1, of the California Government Code (Section 6500 et seq.). The EIA is a recognized leader and pioneer in the JPA risk management community.

Since inception, the EIA has continued to thrive by providing members with exceptional value and service, as well as the opportunity to actively participate in an organization dedicated to the control of losses and cost-effective risk management solutions. As we celebrate the EIA's 30th anniversary, these principles have never been more important.



Providing high quality and efficient services is a top priority of the Board of Directors. Through the efforts of the members and our long-term partner and broker of record, Alliant Insurance Services, the EIA has created programs and services that are stable, secure and have the flexibility to meet the challenges of the dynamic insurance marketplace.

While the membership has enjoyed the fruits of its success over the past 30 years, they have continued to refine, restructure and improve the programs and services to ensure that the members' current and future needs will be met. They have also ensured that the EIA will continue to save significant amounts of money for the members. This year alone, we estimated the EIA saved California public entities \$68 million.

In order to measure the effectiveness of its services and programs, the EIA participates in the California Association of Joint Powers Authorities (CAJPA) Accreditation Program. Since 1989, the EIA has been awarded their highest designation, "Accreditation with Excellence". In 2007, the EIA was also recognized by the Association of Governmental Risk Pools (AGRIP), a national pooling association. Both the CAJPA Accreditation and AGRIP recognition are indications of exceptional compliance with best management practices. Additionally, the EIA was the first JPA in the state to receive the Government Finance Officers Association's Certificate of Excellence in Financial Reporting (FYE 6/30/94 - 6/30/08). We are currently in the process of submitting information for the fiscal year ending June 30, 2009. These recognitions and achievements reinforce the valuable, effective, efficient and stable organization that the members have built for California's counties and, more recently, other public entities.

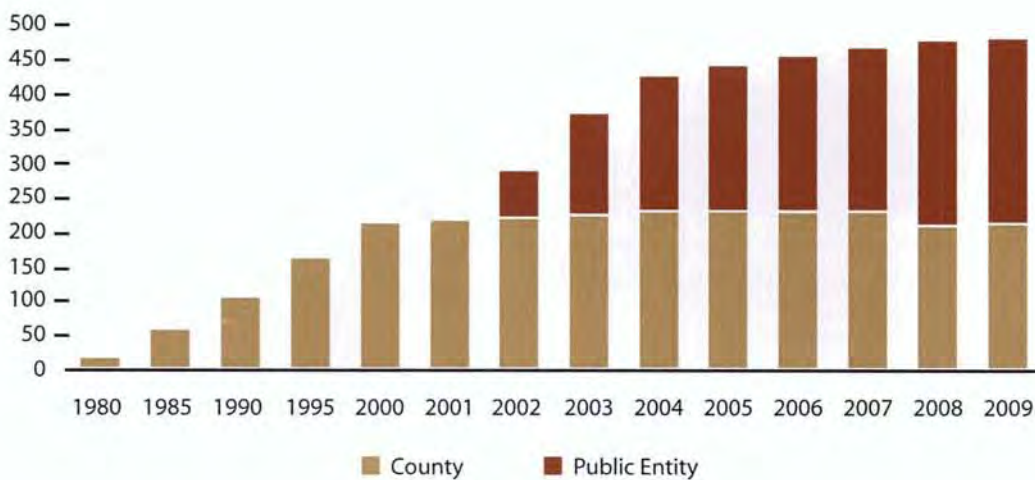
Organizational Profile | *continued*

2009/10 Membership

Since 2001 when the California Public Entity Insurance Authority (CPEIA) was established as a “sister” JPA to allow other public entities throughout the state access to the EIA’s Programs and services, the EIA has seen significant membership growth. Most of the growth occurred during 2001 to 2004 as a result of conditions in the insurance market. As depicted in the graph below, growth over the past couple of years has continued, but at a more steady and controlled pace. Membership is shown in terms of “member units” where each member in each of the programs is counted as one member unit.

The EIA has seen tremendous growth over the past several years, and has continued to uphold the principles upon which it was established which has made it so successful — mainly membership involvement and loyalty.

The EIA’s 55 member counties represent a 95% market share of the 58 counties in the State. While the Public Entity membership currently consists of 167 organizations, including cities, school districts, special districts, and other JPAs, the actual number of public entities accessing the coverage and services of the EIA are in excess of 1,500. In fact, coverage is being provided, either directly or through a member JPA, to nearly 60% of the cities in California. While future growth within California is likely to continue at a slower pace, the need for high-quality, low-cost insurance programs remains strong by county-affiliated agencies and local government entities. A full membership listing, including program participation and current self-insured retention/deductible levels, is provided on pages 37 to 44.



Organizational Profile | *continued*

Membership Involvement

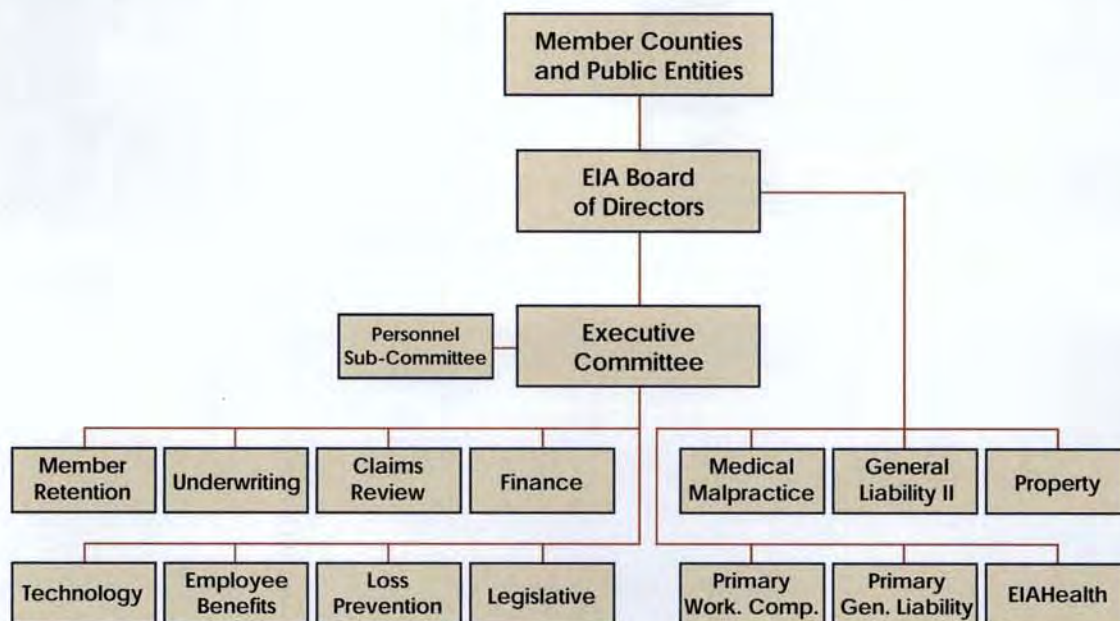
The EIA members generously provide their time, expertise and leadership by serving on the Board of Directors and through their involvement on one or more of the EIA's sixteen committees. The member's active participation in the development, oversight, and future direction of the EIA's programs and services ensures that the EIA will continue its success for many years to come.

Membership involvement is the hallmark of the EIA and the key to the success of the organization.

Because member involvement is a critical component of success, the EIA has made this issue one of its highest priorities. New strategies are being implemented to ensure member involvement and active participation – which leads to member loyalty – continue at a high level.

With innovative risk management techniques, cost effective programs and services, solid leadership and, most importantly, member involvement, the EIA will continue to be the "Risk Management Solution" for California public entities well into the future.

Below is an organizational chart depicting the governance structure of the EIA. The Board of Directors is comprised of 62 members, one representative from each member county and seven members elected by the public entity membership. The Executive Committee consists of eleven members elected by the Board of Directors. Each year, the EIA solicits interest from the members to serve on the various committees. Appointments are then made by the Executive Committee from members participating in the specific coverage program or based upon an individual's background or specific expertise.



Organizational Profile | *continued*

EIA Staff

The EIA employs a full-time staff of 48 who handle all of the day-to-day matters regarding finance, claims, loss prevention, technology, and pool administration. Below, shown left to right, are the staff members by department.



Pool Administration

Michael Fleming, Gina Dean,
Linda Johnson, Jessica Blushi, Brenna Smith



Administrative Support
Kelli Walker, Kathleen Barnes,
Arla Bragg, Allison Barsotti



Claims Management and Support

Maile Visaya, Jack Blyskal, Katie MacManus



Employee Benefits

Catharine Mauldin, Sarah Dronberger



Loss Prevention

Juan Cajandig, John Gargiulo, Charles Williams, Travis Clemmer, Scarlett Davis

Organizational Profile | *continued*



Finance

Deirdre Robinson, Trina Johnson,
Robert Adams, Mercy Penales, Marianne
Stuart, Dan Calabrese



Information Technology

Laura Turlington, Nicole Pimley, Kimberlee Hatcher, Melinda Miers, Emily
Jensen, Jason Watson, Jeff Louie, Haji Hill



Liability Claims

Heather Fregeau, Monica Breck,
Brad Reager, Trish Mitchell, Doug Taylor

Workers' Compensation Claims

Dolores Mancenido, Paul Stanley,
Nicole Torres, Kathy McLean,
Jan Rooney, Jeff Rush, Lisa Ganas,
David Esposito, Katherine Micev



Member Programs & Services

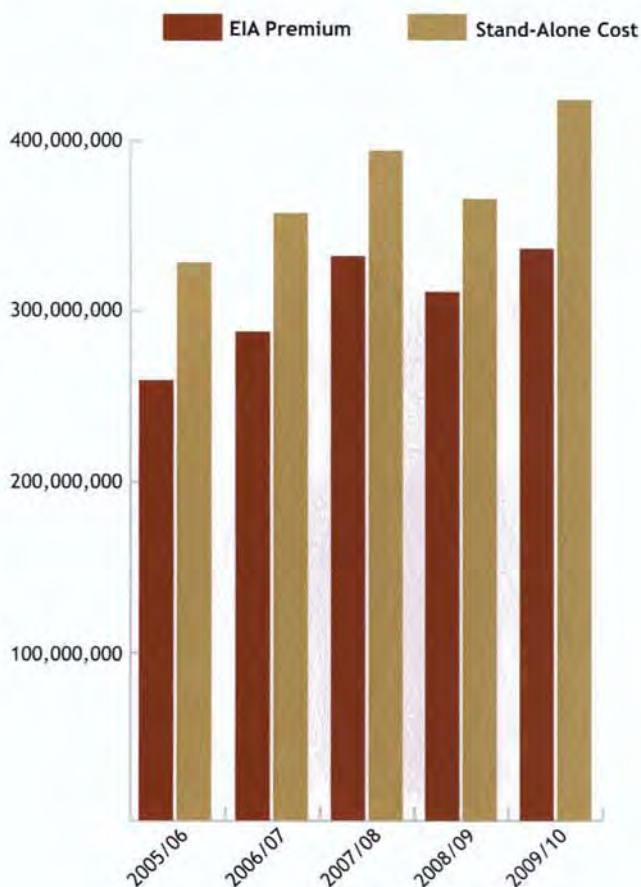
Major Coverage Programs

The EIA members have established eight major coverage programs. These programs are described in greater detail throughout this report. The EIA has dramatically reduced insurance costs for the members by leveraging the combined purchasing power and financial size of the group. All eight major programs include a blend of pooled risk and purchased insurance.

The risk pooling concept allows the program structures to adapt to current insurance market conditions. During hard market conditions, when insurance rates raise above the cost to actuarially fund the group's exposures, the pools expand and less insurance is purchased. When insurance rates decrease to the point where it is more cost effective to purchase insurance, the pools contract and additional insurance is purchased.

The EIA is able to leverage the purchasing power of its membership to secure more cost-effective coverage than members could on their own. This strategy of leveraging volume has also benefited non-members because of the competitive role the EIA has assumed in the public sector insurance marketplace. Annually, the EIA compares the cost of its major programs to the estimated cost members would pay if they were purchasing similar coverage on their own. Below is a chart showing the premium paid over the last five years by the EIA members and the premium that is estimated to have been paid by members individually. In just the past 5 years, the EIA has saved California's counties and member public entities over \$340 million.

Major Coverage Programs | Five Year Cumulative Premium vs. Estimated Stand-Alone Cost



Another component to the success of the EIA is the long-term partnership with our broker/consultant, Alliant Insurance Services. Along with the EIA staff, Alliant works closely with the Board of Directors and each of the committees to continually refine the programs to ensure the EIA is positioned to provide the best coverage and service possible to meet the members' broad range of needs.

While the EIA has strived to develop long-term relationships with its underwriters and insurance carriers, the insurance placements are continually evaluated. The EIA's committees are actively involved in this process, as they frequently review the insurance placements and program performance. The EIA constantly monitors the insurance marketplace, and through our diligence and relationships in the market world-wide, create opportunities to reduce costs and to enhance coverages for the EIA's members whenever possible.

Member Programs & Services | *continued*

Miscellaneous and Employee Benefits Programs

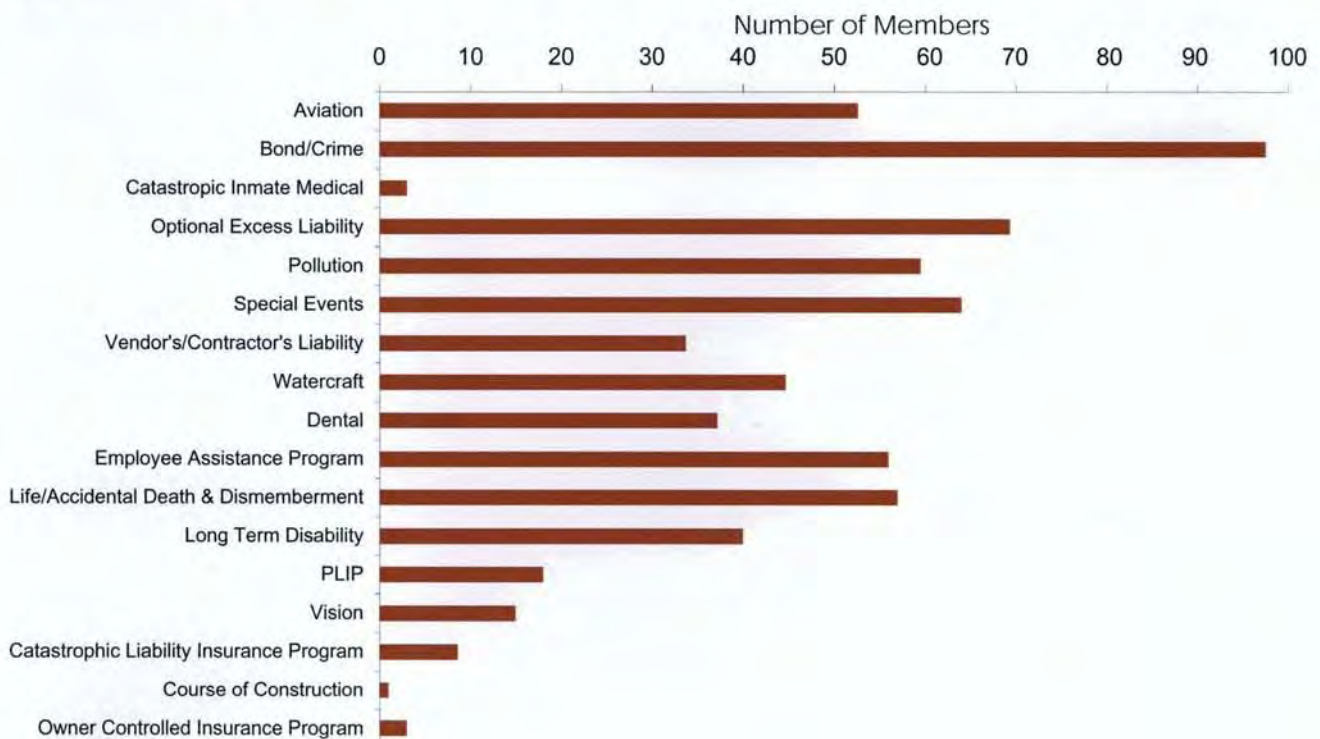
In addition to the eight major coverage programs, the EIA provides a variety of group purchase insurance programs to offer the members protection from other exposures such as watercraft, aviation, pollution, special events, crime and faithful performance, vendor/contractor's liability, catastrophic inmate medical expenses, and employee benefit programs. In many cases, members are also provided options to reduce deductibles and purchase additional insurance limits. The employee benefit programs include options for dental, vision, life and accidental death and dismemberment, short and long-term disability, and employee assistance.

Several years ago, through a joint venture between the EIA and California State Association of Counties (CSAC), the Personal Lines Insurance Program (PLIP) was established to provide discounted homeowners, automobile, and other personal lines coverage to employees and retirees of member entities. The PLIP Program is underwritten by Liberty Mutual who is known for their high-quality customer and claims services. To complement the PLIP Program, the "Personal Access" Program was established to offer a wide-range of voluntary insurance products from numerous insurers on a payroll deduction basis.

The chart below illustrates the number of members participating in the miscellaneous and employee benefit programs for the current year.

Miscellaneous Program Participation

2009/2010



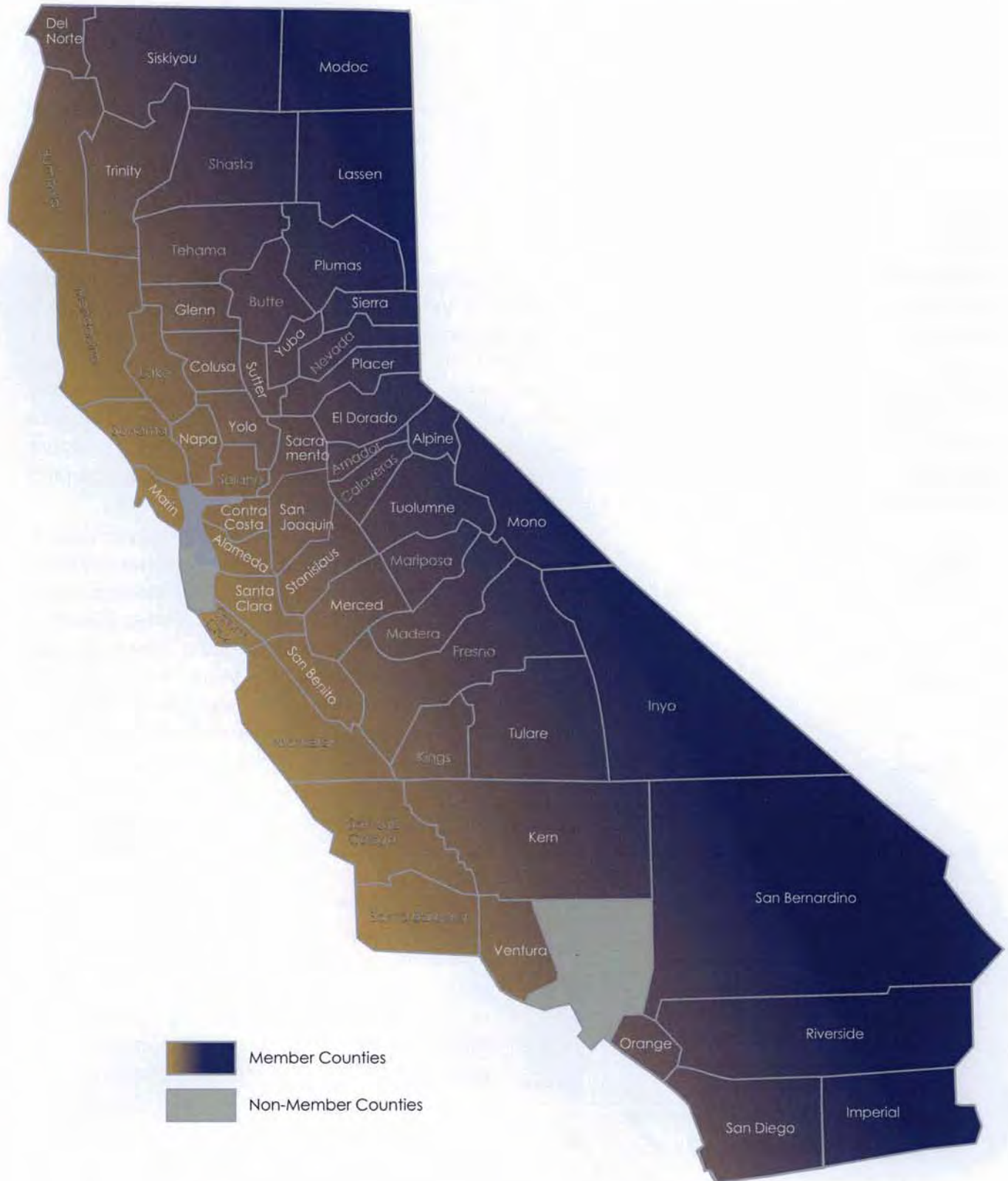
Member Programs & Services | *continued*

Member Services

In addition to our comprehensive coverage programs, the EIA has implemented numerous risk management programs designed to assist members in effectively administering their insurance and self-insurance programs. Some of the services and benefits enjoyed by the members include:

- Financial subsidy programs for actuarial analyses, loss prevention, and risk management
- Wide variety of loss prevention and risk management training programs, provided on a regional basis, on-site for individual members, or through live internet-based sessions
- Extensive loss prevention platform including: web-based training, automated system for regulatory monitoring employee driving records, flexible tools to monitor compliance, communication solutions for exchanging information and risk identification and mitigation technologies
- Loss prevention consultation, program assessments and facility inspections
- Real and personal property appraisals
- On-line, anytime access to coverage documents, certificates of insurance, subsidy balances, renewal applications, and property schedules
- Extension of EIA's contracted services at reduced rates for actuarial studies, claims audits, and certificate of insurance management services
- Access to additional programs and services through EIA's membership in the ISO Claims Search Program and Insurance Education Association

CSAC EIA's Member Counties | as of June 30, 2009



Primary Workers' Compensation

By blending self-insurance mechanisms with insurance products, the Primary Workers' Compensation (PWC) Program has successfully created a low-cost alternative to self-insurance.

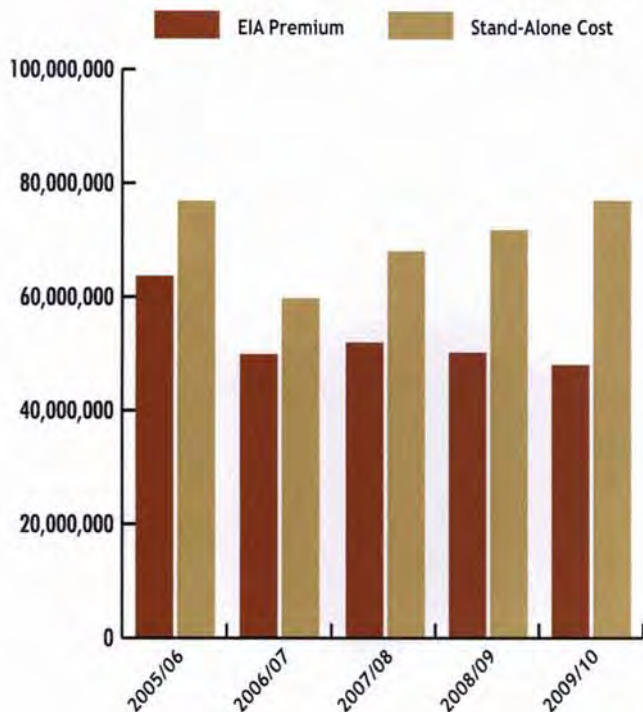
The PWC Program became operational on July 1, 1997. This unique Program was initially conceived to address competitive pressures from the insurance industry as insurers were offering very attractive rates to public entities on a short-term basis but without addressing their long-term needs.

The Program has historically been structured as a large pool protected by aggregate stop loss coverage. This year, the structure changed to transfer more risk to an insurer while saving money for the members. From the member's perspective, the PWC Program continues to provide first-dollar coverage. The Program pools the first \$10,000 of each loss and our insurance partner, American Safety, insures the next \$115,000 of loss. Losses in excess of \$125,000 are covered under the EIA's Excess Workers' Compensation Program.

While the EIA strives to develop and maintain long-term relationships with carriers, the value of competitive marketing has not been forgotten. Over the past 12 years, the Program has partnered with four insurers. In late 2008, the parent company for our reinsurance carrier, Imagine Insurance, decided to deploy their assets in non-insurance investments, and the EIA was faced with finding a new partner. Several alternatives were evaluated, but we looked to a relatively new partner in the Excess Workers' Compensation Program, American Safety Insurance, to provide an option that ultimately allowed the Program to reduce its risk and save the members money compared to the costs under the old structure. This new partnership with American Safety ensures long-term stability for the Program and at a price well below the cost of self-insurance for the members.

Primary Workers' Compensation

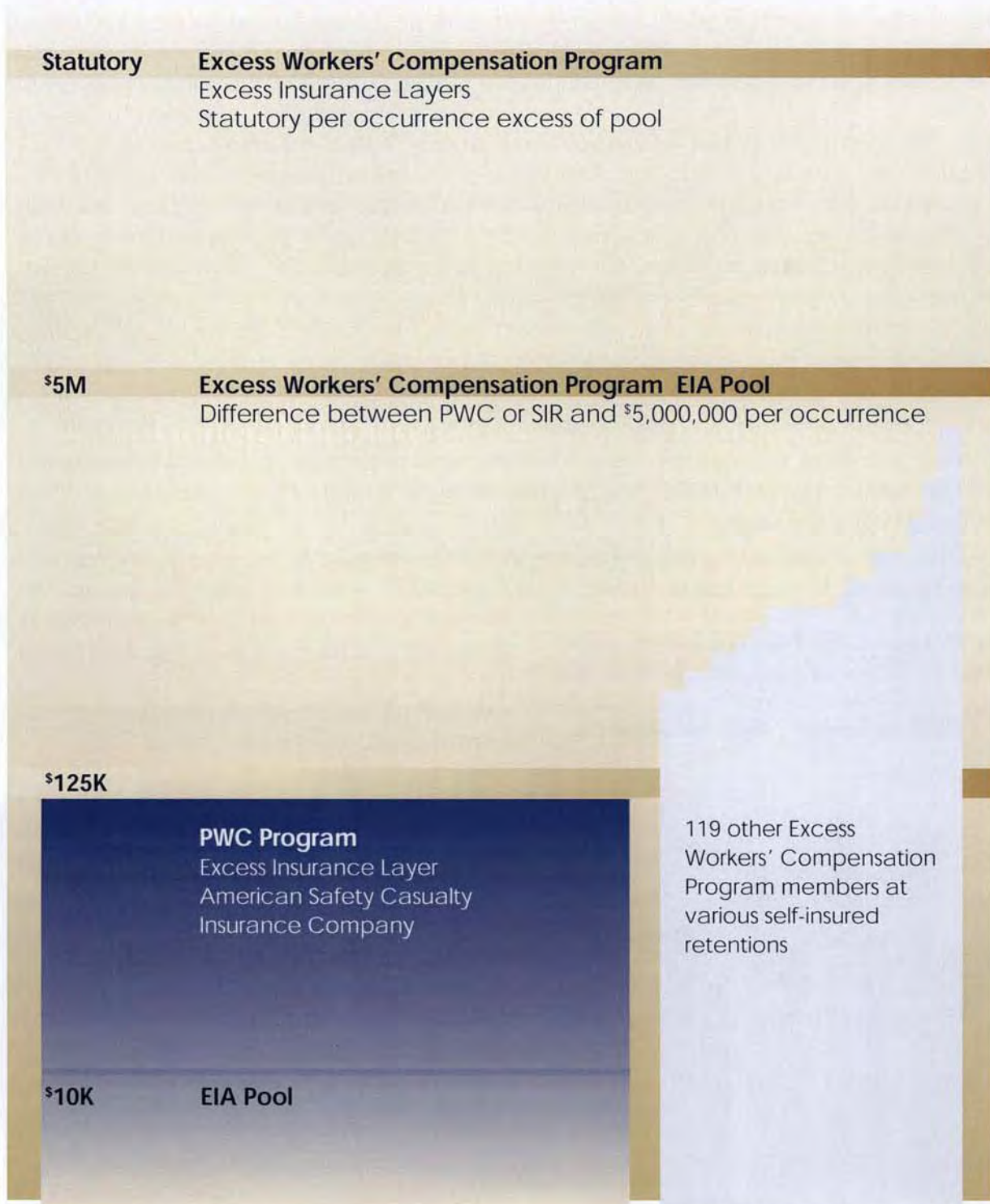
Five Year Cumulative Premium vs. Estimated Stand-Alone Cost



Program premiums are based on an actuarially determined cost for each member and includes a rate smoothing mechanism to provide rate stability from year to year. To the left is a chart illustrating the \$89.3 million in savings the members have realized over the past five years when compared to the cost to self-insure. During the 2009/10 year alone, we estimate the members saved \$29.5 million by participating in the PWC Program.

The Program members' active involvement in the PWC Committee, which oversees the administration of the Program, has been a key component to the Program's enduring success. Together, the members have developed innovative service programs designed to meet the needs of the individual members, while reducing the overall costs for the entire group at the same time. Most recently, programs have been implemented to facilitate early return to work by injured employees, provide a mechanism for early reporting of work-related injuries, and better manage medical treatment.

Primary Workers' Compensation | 2009/2010



Excess Workers' Compensation

The first EIA Program established was the Excess Workers' Compensation (EWC) Program in November 1979. Over the last 30 years, the EWC Program has been restructured many times to provide the members with the best coverage at the lowest possible cost.

Following the events of 9/11, purchasing high levels of excess insurance was cost-prohibitive or in some cases the coverage was non-existent. As the insurance market has settled over the past couple of years, the EIA has leveraged its relationships and premium volume in order to secure as much coverage as possible. Last year, the EIA was able to expand coverage in the EWC Program to provide statutory limits without raising rates to the members. That was a significant achievement that would not be possible without the relationships and reputation that the EIA has established in the marketplace. With our premium volume, we were also able to negotiate a multi-year quota-share arrangement with a new partner, American Safety Insurance, which has saved the members \$12 million over the last two years alone.

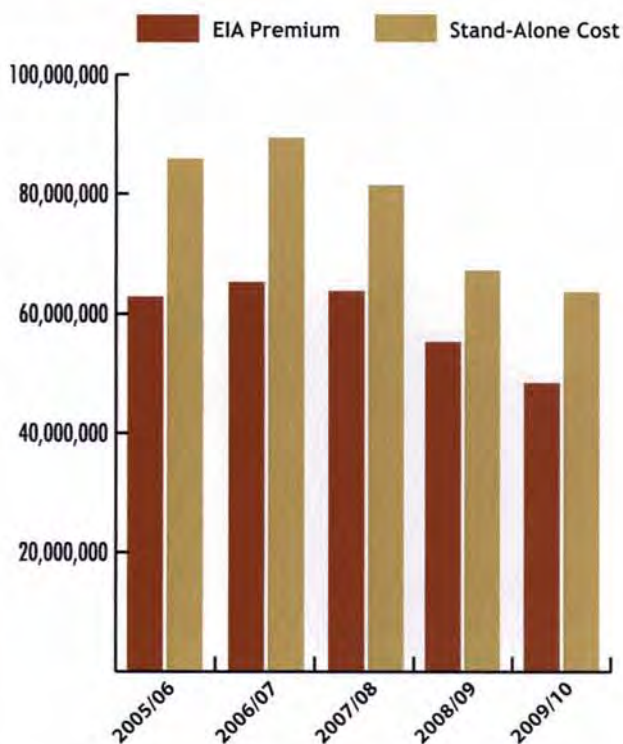
In 2003/04, the EWC Program declared an assessment to fund a pool deficit. The EIA was not alone in facing a deficit, as many other workers' compensation JPA's experienced a similar situation due to the nature of workers' compensation claims and the status of the system in California. While some JPA's took a less aggressive approach, the EWC Program members took immediate corrective action.

Now, just a few years later, we have determined that the declaration of the assessment has improved the overall funding position of the EWC Program, and we are in a healthy financial position with net assets well within our target range.

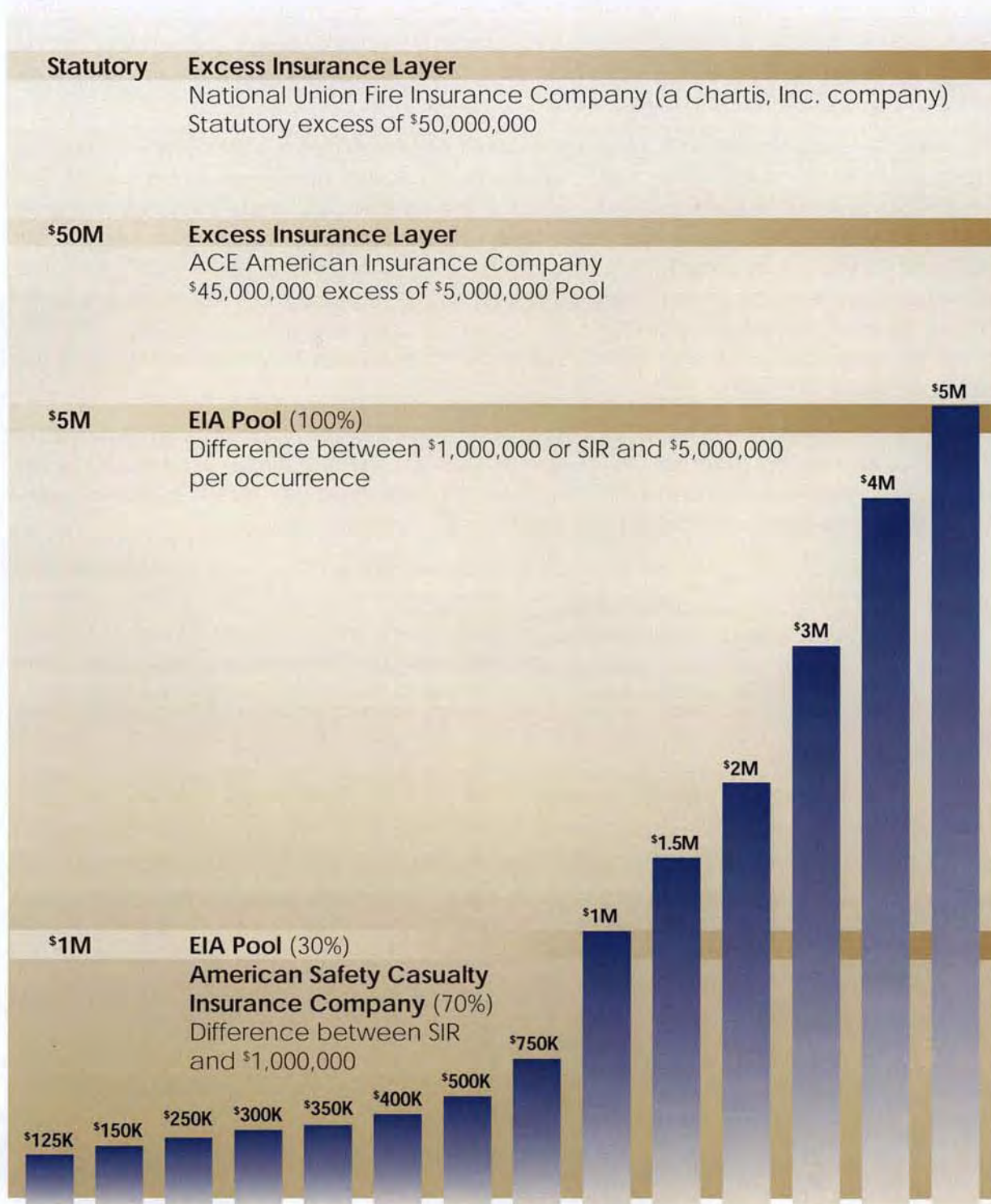
Today, because of the continual restructuring and significant volume, the EWC Program has the financial strength and flexibility to react and withstand market conditions. Therefore, members are assured

they will receive the best possible coverage at the lowest cost for many years to come. To the left is a chart illustrating the \$84 million savings members have achieved by participating in the EWC Program over the past 5 years alone.

Excess Workers' Compensation | Five Year Cumulative Premium vs. Estimated Stand-Alone Cost



Excess Workers' Compensation | 2009/2010



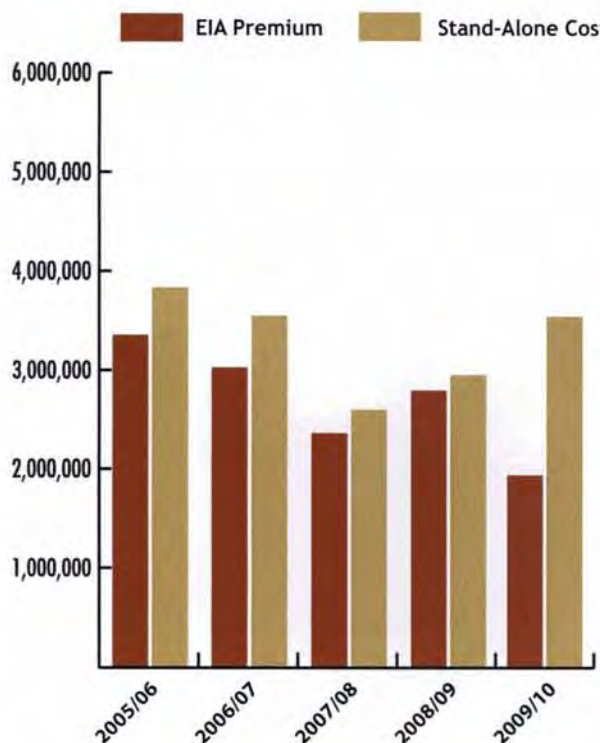
Primary General Liability

The Primary General Liability (PGL) Program became operational on July 1, 1998. The Program allows members of the General Liability I Program to eliminate their self-insured retention and purchase primary, low-deductible coverage. As a service to the members, the Program is responsible for the administration of claims, which is accomplished through two third-party claims administrators. The EIA oversees the claims administration and works closely with both firms to ensure claims are adequately and appropriately investigated and defended.

Similar to other EIA programs, the PGL Program structure has changed over the years to adjust to market fluctuations while continuing to meet the members' needs. Although we had a multi-year agreement in place with Imagine Insurance Company, we were notified in late 2008 that Imagine's parent company had decided to deploy their assets in non-insurance investments and the EIA was faced with finding a new partner. Following an extensive market search, the PGL Committee determined the best alternative was to cancel our agreement with Imagine early and enter into a new reinsurance arrangement with Ace American Insurance Company as of April 30, 2009. Through this process, we were able to simplify the structure of the Program and, more importantly, save the members approximately \$600,000.

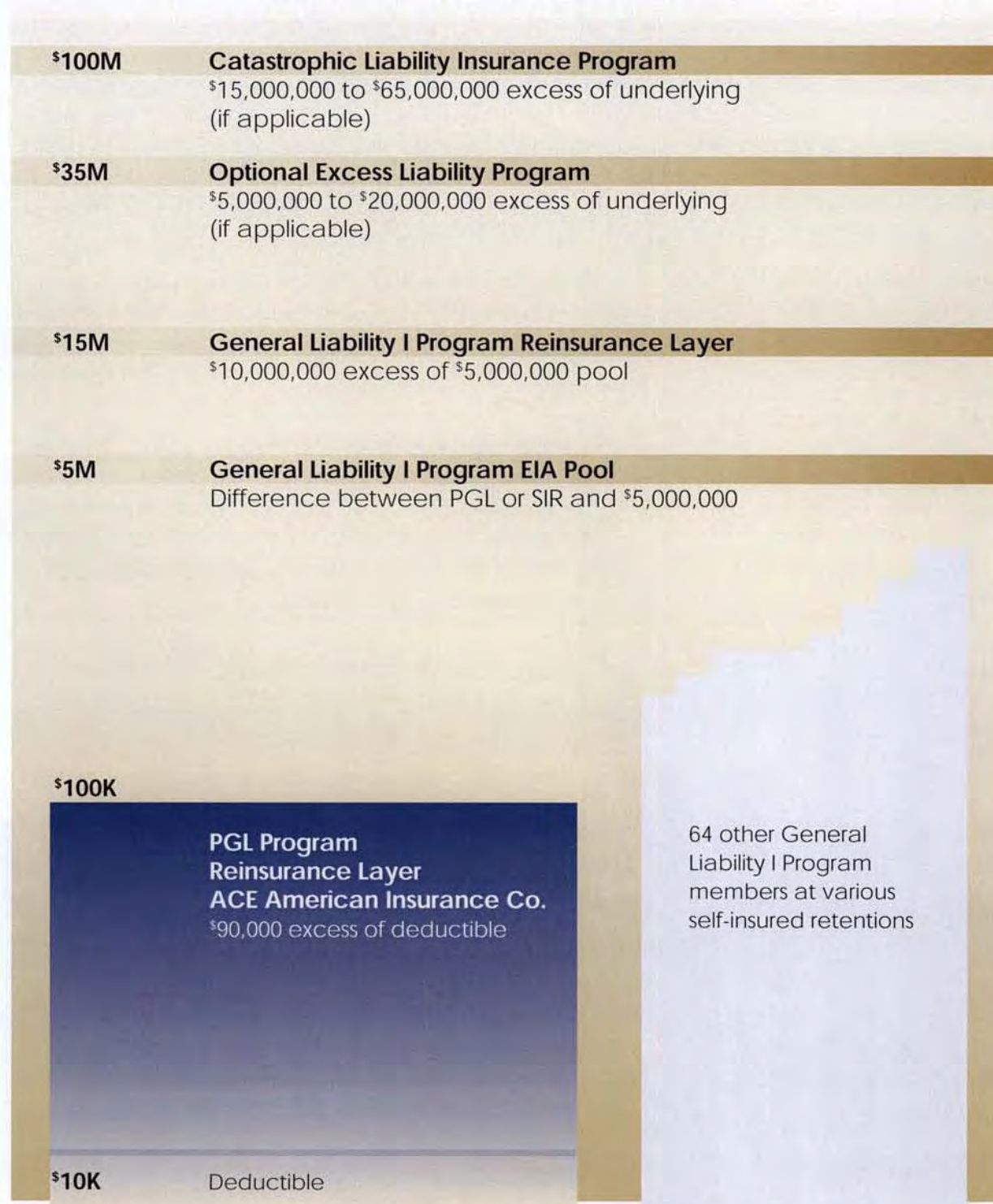
Once again, the EIA members and the PGL Committee, in particular, proved their ability to withstand market conditions by staying together, being able to change, and reacting where necessary. This leadership has provided the members with the security and stability they desire from the Program, with substantial cost savings to the group compared to self-insuring on their own.

Primary General Liability | Five Year Cumulative Premium vs. Estimated Stand-Alone Cost



The chart to the left indicates the \$2.8 million in savings that members have realized over the past 5 years when compared to what it would have cost to self-insure or purchase comparable coverage and services in the marketplace.

Primary General Liability | 2009/2010



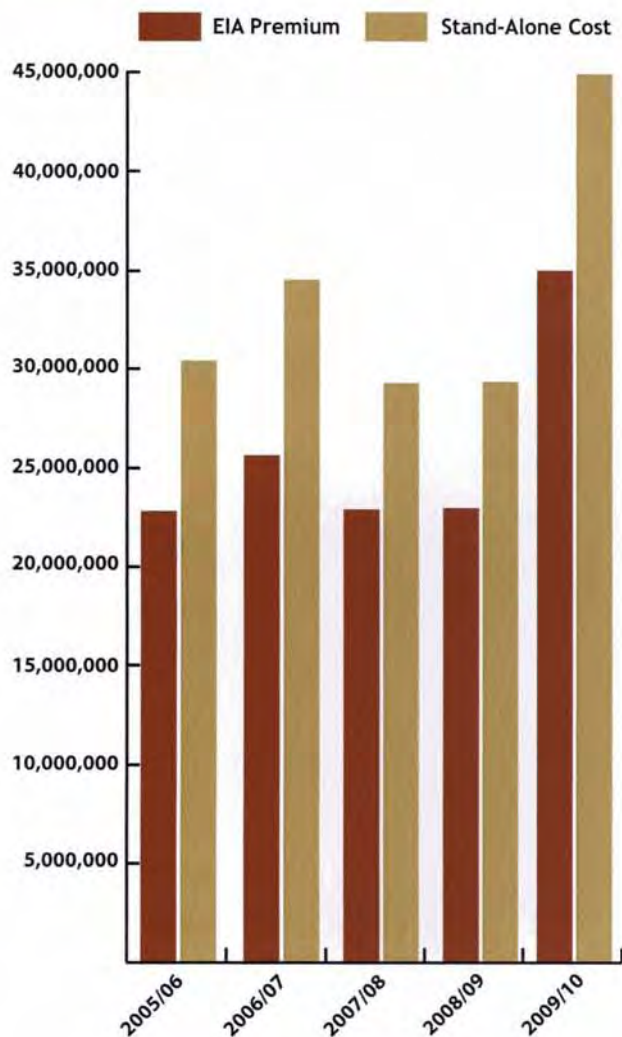
General Liability I

Launched in 1980, the General Liability I (GLI) Program has evolved into one of the largest and most successful municipal pooling programs in the United States.

This Program was initially structured as a joint purchase program in the soft insurance market of the early 1980's. Since that time, the Program has been continually restructured to respond to market conditions using a combination of pooling and excess coverage. In 2003, after the Program was marketed worldwide, the excess placement was moved to Insurance Company of the State of Pennsylvania (ICSOP), an AIG/Chartis company. We continue to search the world-wide insurance market for alternatives at each renewal. For now, the Committees and the Board have determined that ICSOP and AIG/Chartis continue to be the best partner for the GLI Program to continue providing the members with the broadest coverage at the lowest possible cost.

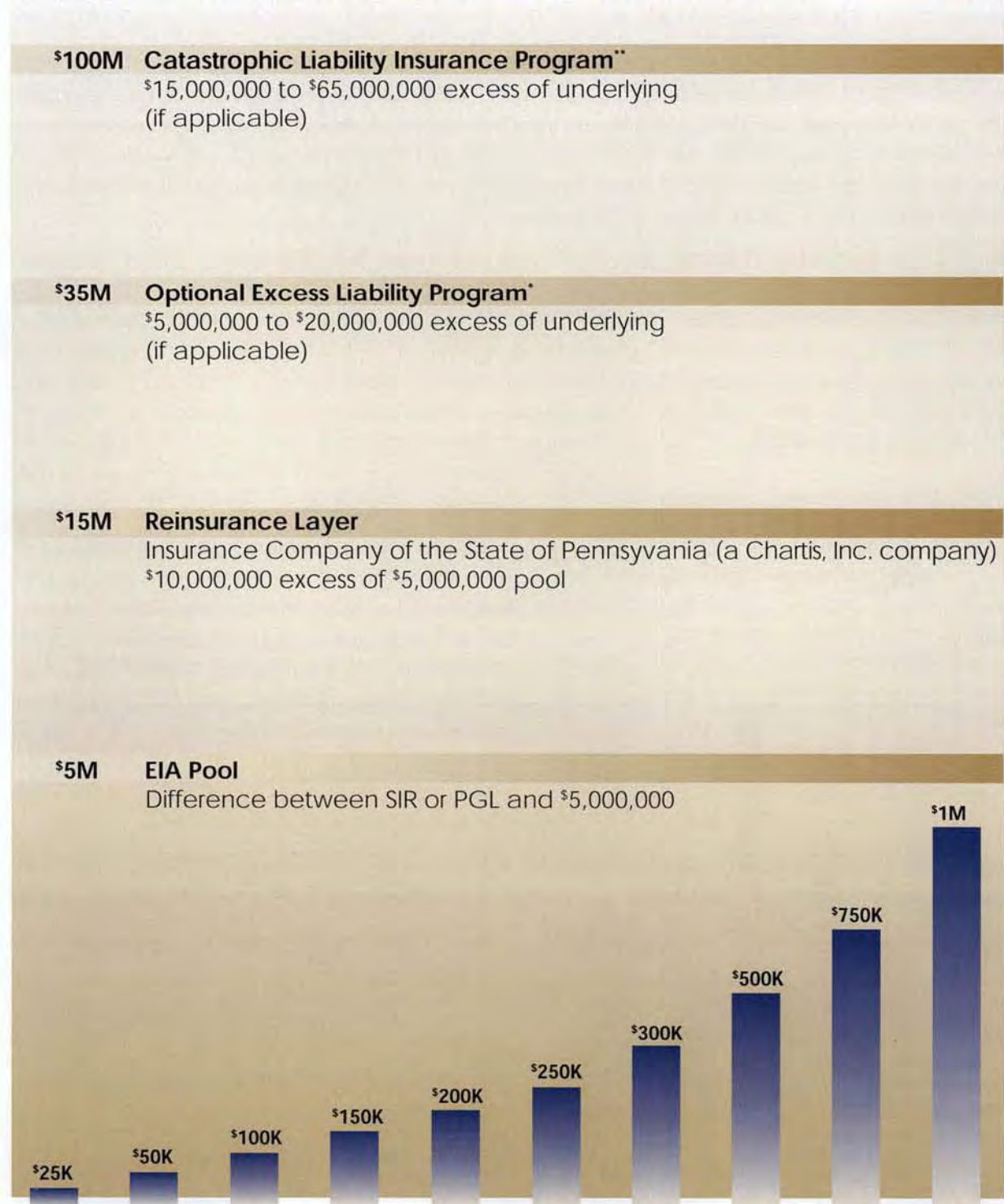
The funding position of the GLI Program is evaluated each year. Based on the healthy funding position of the Program, \$4 million in dividends have been distributed back to the members over the past two years. Assuming the funding remains at a high level, it is anticipated that similar dividends could be declared over the next few years.

General Liability I | Five Year Cumulative Premium vs. Estimated Stand-Alone Cost



The chart to the left illustrates the savings members have achieved through participation in the GLI Program compared to what it would have cost for similar coverage and services in the open market. In just the past 5 years, this savings is estimated at an amazing \$39.2 million.

General Liability I | 2009/2010



*60 GLI Program members purchase additional limits through the Optional Excess Liability Program

**7 GLI Program members purchase additional limits through the Catastrophic Liability Insurance Program

General Liability II

The General Liability II (GLII) Program was established on February 15, 1991 with the objective of offering larger members the advantages of the joint purchase of excess coverage, while maintaining their ability to handle and fund their primary losses.

Members of the GLII Program have enjoyed the benefits of a long-term relationship with Insurance Company of the State of Pennsylvania (ICSOP), an AIG/Chartis company, going back to the inception of the Program. However, the EIA has continued to monitor the world-wide insurance marketplace for potential cost-reduction and coverage enhancement opportunities through alternative carriers. However, the past few renewals have been challenging due to internal issues at AIG/Chartis, the Program's own loss history, and membership changes.

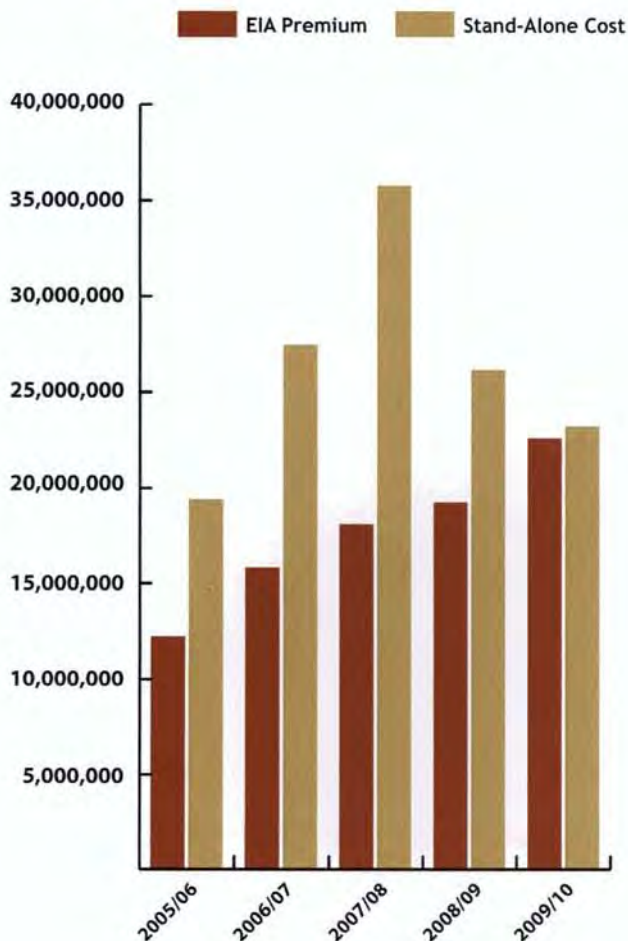
This year, the structure of the Program was modified to accommodate AIG/Chartis' desire for higher retentions while maintaining the member's desired retentions. The Program implemented a new Corridor Deductible Pool to satisfy the parties. The members of the GLII Program have historically desired a structure with little to no assessment risk. Therefore, a new partner, Ironshore, was introduced on the Program. Ironshore provides aggregate stop loss reinsurance on the Corridor Deductible Pool. This year's renewal was not only successful, it was a great example of how the members of this Program used their creativity, flexibility, and resolve to ensure the members of the Program had sufficient

coverage, a sound structure, and all at the lowest possible cost.

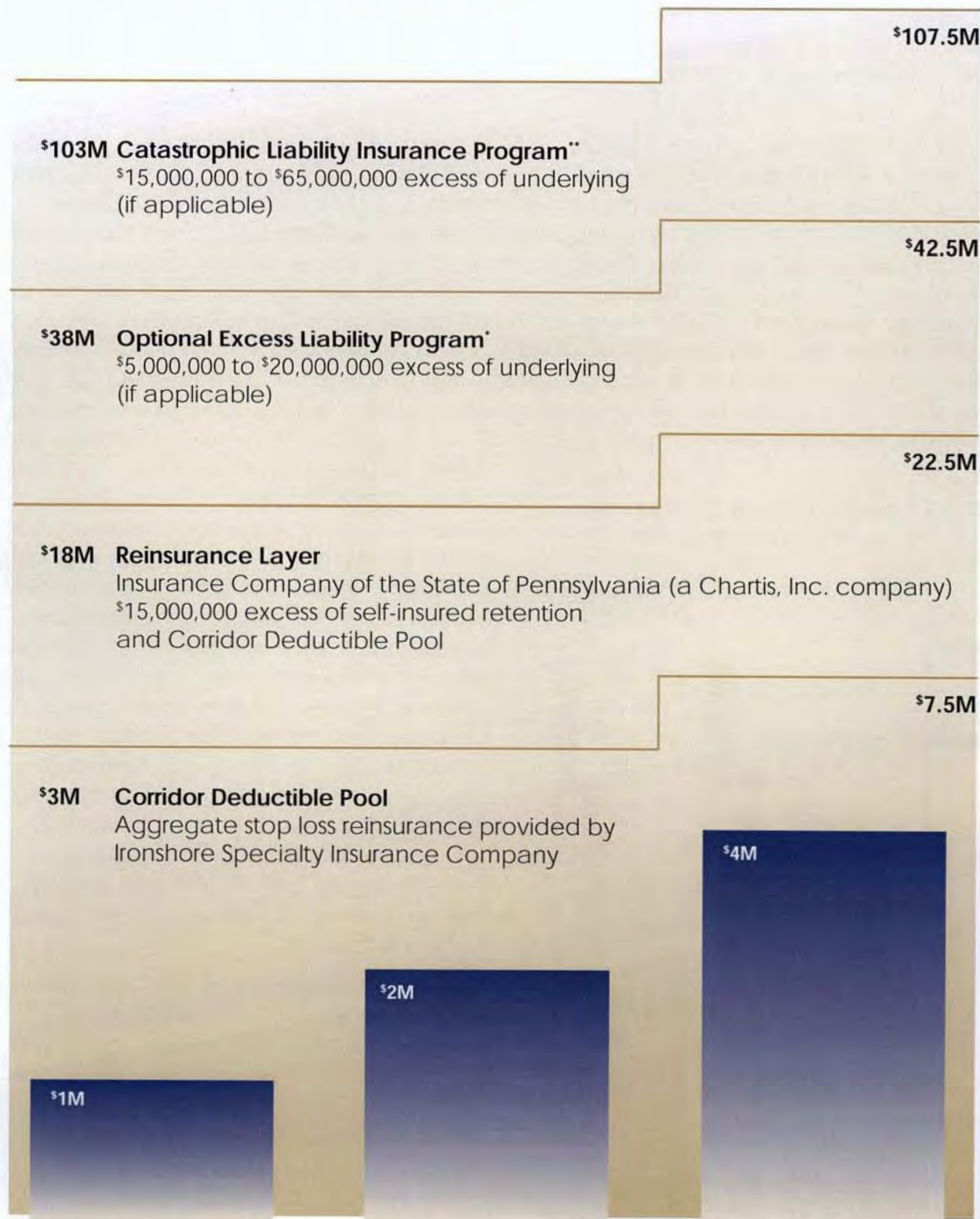
Through the members' commitment and involvement, as well as diligence in the marketplace, the GLII Program will continue to provide a program designed to meet the needs of the members at a cost that is well below what it would cost to purchase similar coverage on their own as illustrated in the chart to the left.

General Liability II

Five Year Cumulative Premium vs. Estimated Stand-Alone Cost



General Liability II | 2009/2010



*9 GLII Program members purchase additional limits through the Optional Excess Liability Program
**2 GLII Program members purchase additional limits through the Catastrophic Liability Insurance Program

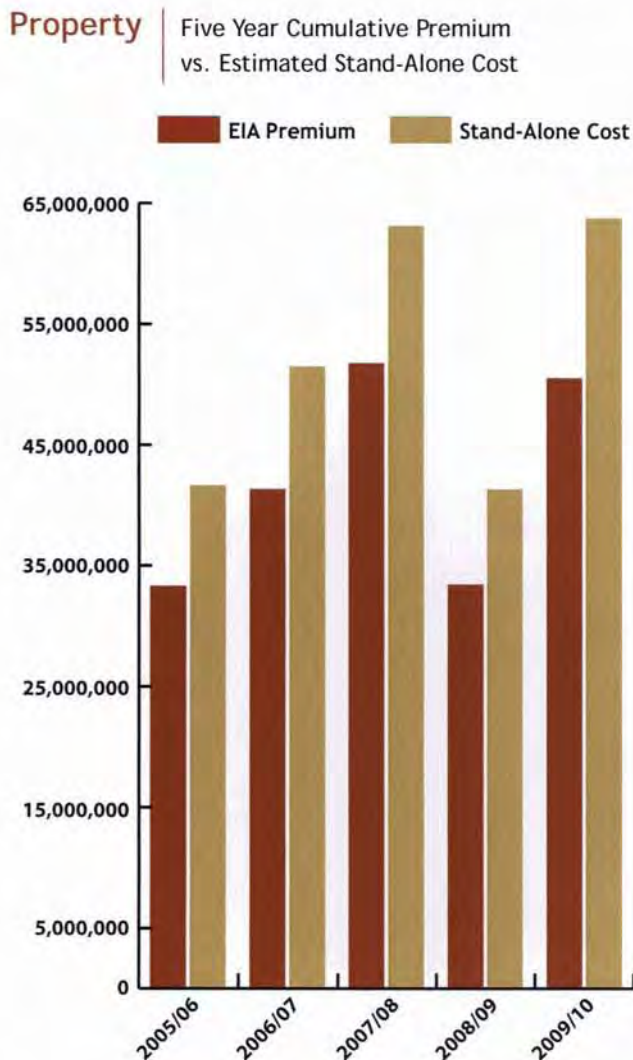
Property

Now in its 25th year, the Property Program is a highly successful program featuring limits to \$600 million per tower for all-risk coverage on buildings and contents and \$280 million for earthquake coverage. With 78 members, including 52 member counties, the Property Program is one of the EIA's most popular programs.

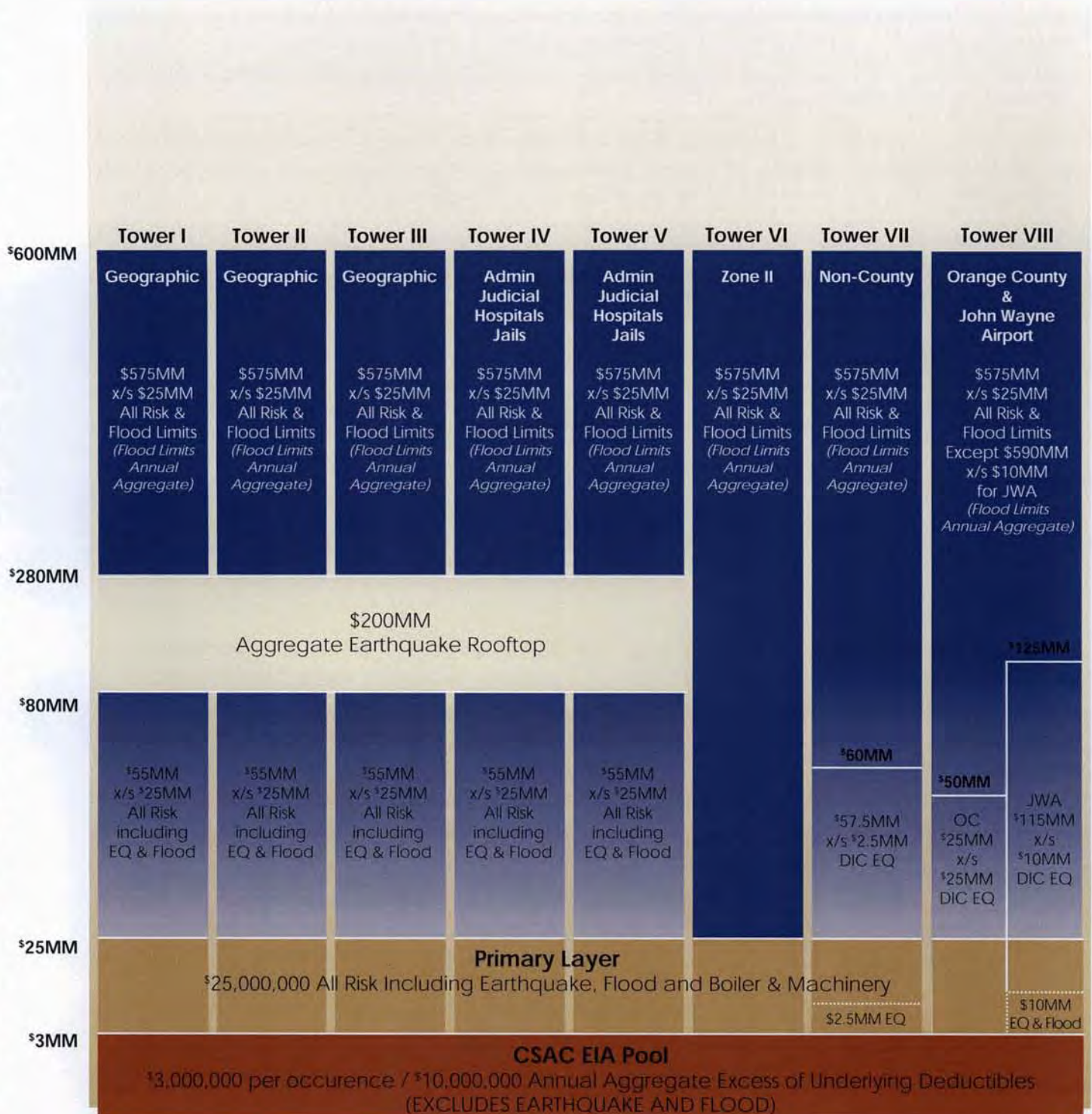
The Property Program must always be proactively adjusted to meet both increasing demand for coverage as well as the dynamic insurance marketplace. The volume and success of the Program has led to creative solutions in solving the difficult problems associated with earthquake coverage. The Program is currently structured with an aggregated pool, above which excess layers of coverage are placed and exposure is allocated amongst separate "towers" to diversify the risk geographically. Based on market conditions and capacity, the number of towers has grown from the original two to a high of eight. In addition to the excess towers, the EIA has expanded and contracted the pooled layer of coverage, which has ranged from zero to \$3 million per occurrence. The current pool is \$3 million per occurrence, limited to an aggregate of \$10 million for all claims for the 2009/10 year. The benefit of long-term relationships with insurers and underwriters is most apparent in this Program. Following the devastating hurricane season of 2005 and its enormous impact on insurers world-wide, the

market hardened almost overnight. For those without historical relationships with insurers or underwriters, coverage in some cases was not available. As one of the world's largest buyers of insurance protection for California earthquake exposures, the EIA's long-term relationship with Lexington Insurance and the excess markets served the members well. The EIA was not immune to rate increases or restrictions in coverage, but the members fared far better through the EIA than they would have on their own. With the Property Committee's leadership and support of the members, the EIA's Property Program will continue to endure insurance market swings to fulfill the mission of providing the best coverage at the most affordable price well into the future.

The unique structure of the Property Program and its risk sharing features have afforded members higher loss limits, reduced costs, and produced coverage stability. In just the past 5 years, it is estimated that the members have saved \$52 million, as illustrated in the chart to the left.



Property | 2009/2010



Medical Malpractice

The Medical Malpractice Program was established on June 1, 1988. The Program has since grown to provide coverage to 45 counties, two cities and one school district with exposures ranging from large acute care hospitals to small public health clinics. This unique Program is divided into two groups for underwriting purposes — Program I for members with self-insured retentions and Program II for members with deductibles. The two programs share a common pooling layer designed for potential dividends, risk sharing, and program flexibility.

The Program provides medical malpractice, general liability, and blanket contract health professional coverage at all health facilities. Its flexibility is most evident in the broad coverage form used and its unique structure. The Program has been reinsured with Lexington Insurance Company (an AIG/Chartis company) through a series of multi-year agreements since 2000. Last year, the Program's limits were increased by \$10,000,000 per occurrence.

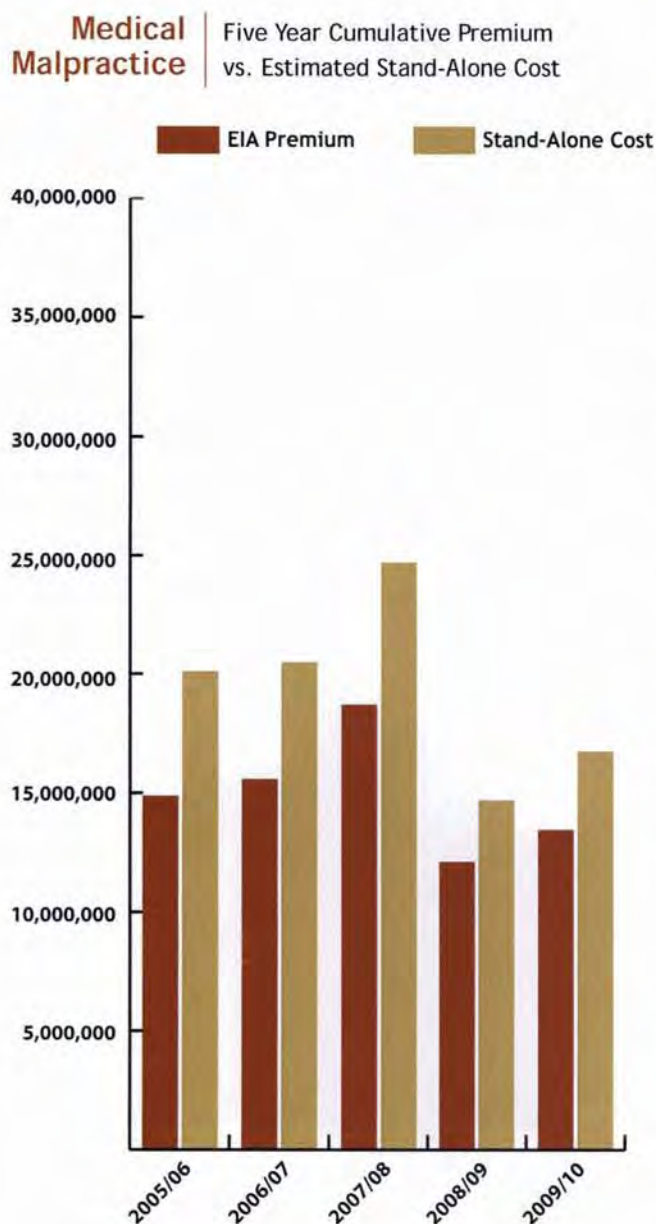
This excess layer was placed with Illinois Union Insurance Company (an ACE INA company).

The EIA continues to utilize Risk Management Services, Inc. (RMS) to provide claims monitoring and risk management services to Program I members and primary claims adjusting and risk management services to Program II members. RMS also provides significant loss prevention medical malpractice services to members. The superior level of service and value to the members is an important piece that has contributed to the success of the Medical Malpractice Program.

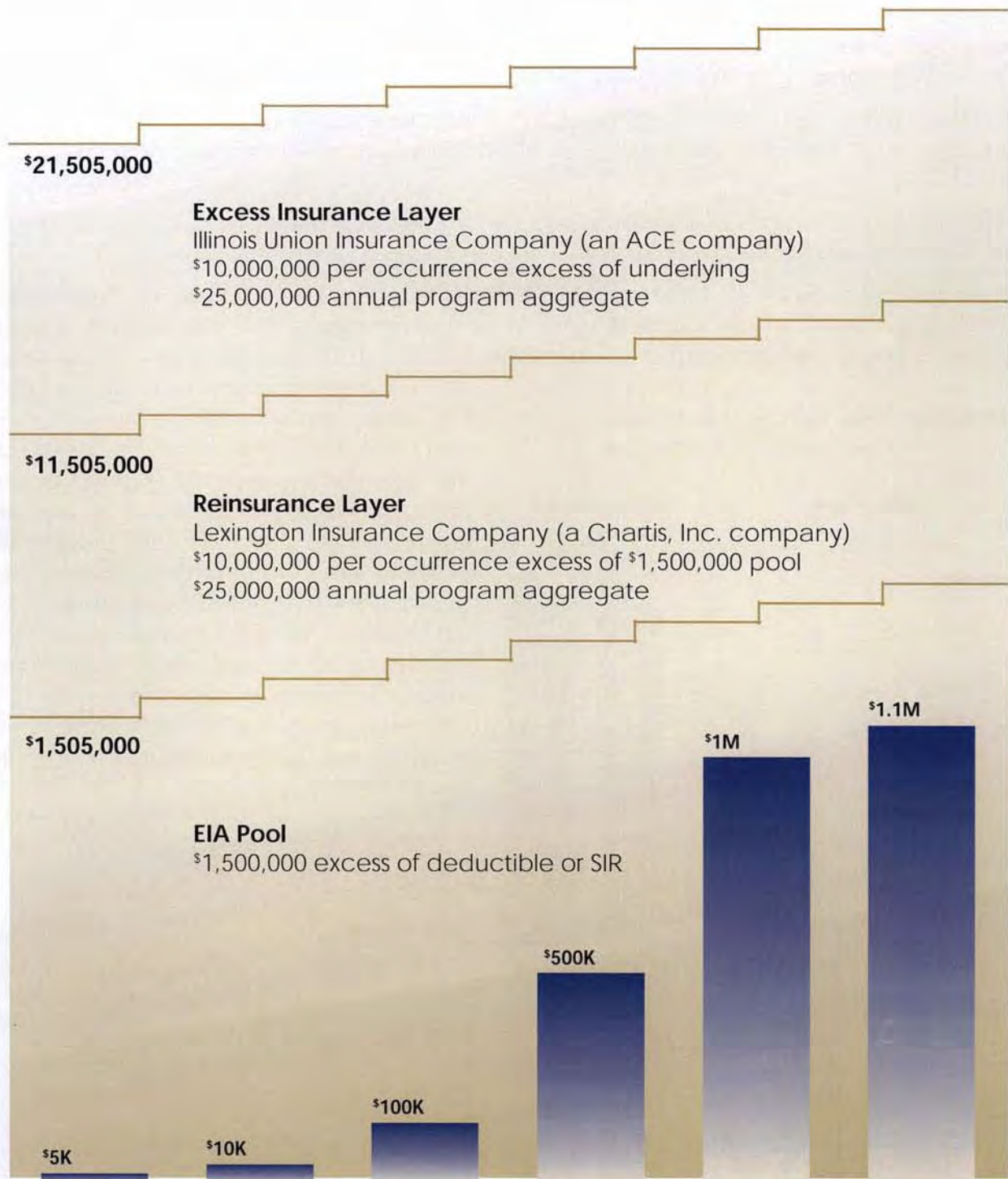
The Program's success has also been linked to its ability to remain competitive and flexible.

As the members' responsibilities and mechanisms for providing health care services to the public change, so too will the Medical Malpractice Program in order to meet the challenge of dealing with changing exposures at the lowest possible cost.

The chart to the left illustrates the low cost of coverage in the Program compared to the costs the members would have paid on their own. Over the past 5 years, the estimated savings are an amazing \$24.4 million.



Medical Malpractice | 2009/2010



EIAHealth

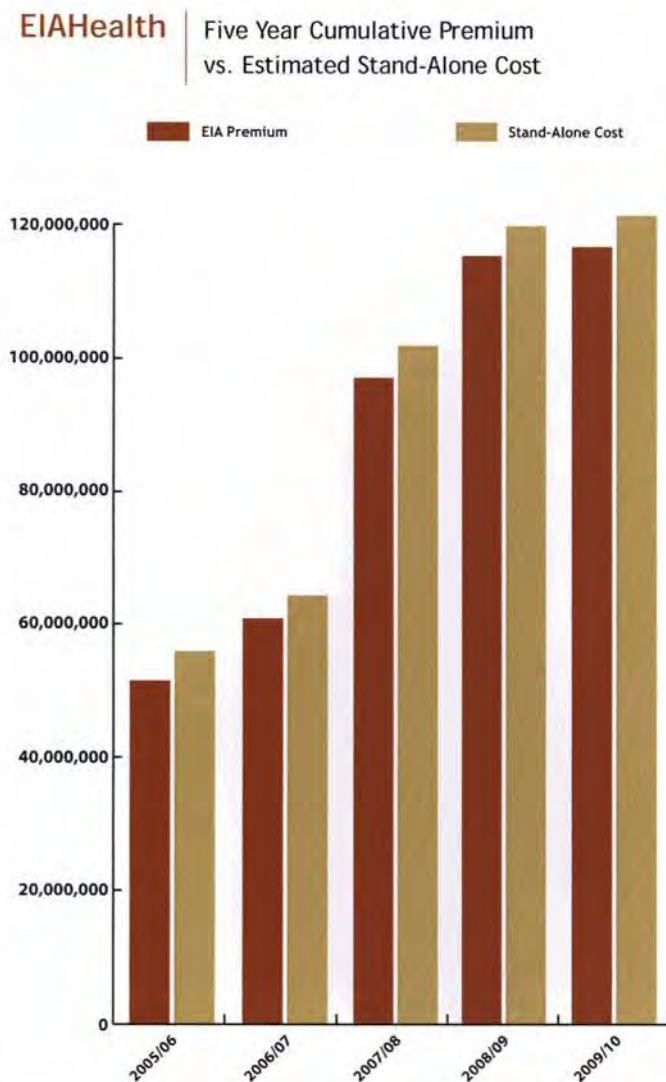
The EIAHealth Program is the EIA's newest major program. Launched in July 2003 with participation from three counties, the Program was developed as an alternative to group health insurance plans using the concepts of pooling to reduce insurance premiums through consolidating the fixed costs over a larger population. The success of the Program is evident in its growth in the first 5 years of the Program's existence, increasing membership to 4 counties, 6 cities, and 2 joint powers authorities.

The EIAHealth Program gives members the ability to either duplicate their in-force benefit plans within the pooled structure or select from a large list of available plans within the Program at competitive rates.

Members have more control of plan design and plan structure than offered by CalPERS or other trusts, and greater opportunity for financial stability than is available on a stand-alone basis.

The risk-sharing concepts used in developing the EIAHealth Program are relatively new to employee benefits programs. Increased volume in terms of number of members and covered lives is key to providing a greater level of predictability and stability. The EIAHealth Program has formed a partnership with Self Insured Schools of California (SISC).

This relationship and collaborative effort not only gives the Program more stability, it has also provided an opportunity for lower rates and savings in the fixed costs of the Program. In addition, the partnership also provides the ability to expand the offering of coverages to include HMO benefits to members in the urban areas. While the savings resulting from the partnership with SISC are just beginning to materialize, members have saved almost \$15.5 million by participating in the Program since its inception. This savings is illustrated in the graph to the left.



EIA Leadership

2009 Executive Committee

President

Supervisor Peter W. Huebner, Sierra County

Vice President

Lance Sposito, Santa Clara County

Members

Peggy Scroggins, Colusa County

Ron Harvey, Contra Costa County

Larry Moss, East Bay Regional Park District

Ron Grassi, El Dorado County

Scott Schimke, Golden State Risk Mgmt. Authority

James Brown, Merced County

Supervisor Robert Meacher, Plumas County

Jim Sessions, Riverside County

David L. Dolenar, Stanislaus County

Presidents

Supervisor Barbara Crowley, Tehama Co. 1980-1982

J. Terry Roberts, Fresno County, 1983-1984

Charles Mitchell, Santa Barbara Co., 1985-1986

James L. Gale, Kings County, 1987

John Crane, Calaveras County, 1988

Gail Braun, Sonoma County, 1988-1989

Ronald Whipp, Santa Cruz County, 1990

Norman Phelps, Shasta County, 1991

Charles Graham, Sutter County, 1992

John Larkin, Trinity County, 1993

Arthur Giumini, San Luis Obispo County, 1994

Don Blackhurst, Santa Clara County, 1995

Marcia Chadbourne, Solano County, 1996

Richard Robinson, Tehama County, 1997

J. Terry Roberts, Fresno County, 1998

Robert Kessinger, Colusa County, 1999

Brent Harrington, Calaveras County, 2000

Kimberly Kerr, Humboldt County, 2001-2002

Richard Robinson, Tehama County, 2003

Charles Nares, San Diego County, 2004

David L. Dolenar, Stanislaus County, 2005

Peggy Scroggins, Colusa County, 2006

Marcia Chadbourne, Sonoma County, 2007

Ron Harvey, Contra Costa County, 2008

Supervisor Peter W. Huebner, Sierra County, 2009

Lance Sposito, Santa Clara County, 2010

2010 Executive Committee

President

Lance Sposito, Santa Clara County

Vice President

Jim Sessions, Riverside County

Members

Peggy Scroggins, Colusa County

Larry Moss, East Bay Regional Park District

Ron Grassi, El Dorado County

Scott Schimke, Golden State Risk Mgmt. Authority

Kristin McMenomey, Mendocino County

James Brown, Merced County

Richard Pietz, San Joaquin County

Supervisor Peter W. Huebner, Sierra County

David L. Dolenar, Stanislaus County

Chief Executive Officers

Gregory L. Trout, 1980-1985

Vincent W. Pisani, 1985-1992

Michael D. Fleming, 1992-Present

Director Emeritus

Supervisor Dick Mudd, 2000-Present

Legal Counsel

Stephen Underwood, Santa Barbara County



Senior Management

Robert Adams, Chief Financial Officer

Laura Turlington, Chief Information Officer

Dan Calabrese, Chief Investment Officer

Michael Fleming, Chief Executive Officer

Jack Blyskal, Chief Claims Officer

Gina Dean, Chief Operating Officer

Financial Letter

November 2, 2009

Board of Directors:

We have prepared basic financial statements for the year ended June 30, 2009. We are very pleased to report that your organization continues to be financially strong. Our independent auditors have issued their unqualified opinion that our financial statements present fairly our financial position and results of operations and cash flows.

We have included in this report excerpts from the EIA's Comprehensive Annual Financial Report (CAFR) for the years ended June 30, 2009 and 2008, including the Statement of Net Assets and the Statement of Revenues, Expenses and Changes in Net Assets. Following the financial statements is a graphical display, by program, of our 2008/2009 expenses. Please refer to the full financial statements, which include the footnotes for more complete information on the EIA's financial position.

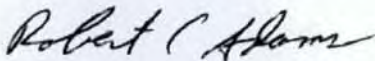
The statements include comparative balances from the award winning CAFR for June 30, 2008. The EIA received the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting. This certificate is the highest form of recognition for excellence in local government financial reporting and represents a significant accomplishment by the EIA. The certificate is awarded to CAFRs that conform to program standards and generally accepted accounting principles. The certificate is valid for a period of one year. We believe that our CAFR continues to conform to the Certificate of Achievement program requirements and are submitting our 2009 CAFR to the GFOA.

Total assets grew to \$589 million, a 9%, or \$50 million, increase over 2008. The asset growth was necessary to provide for the additional member claim liabilities retained by the EIA. We began the year with claim liabilities of \$377 million; we added \$112 million for new claims and development of existing claims; we made claim payments of \$75 million; leaving an ending claim liability balance of \$414 million, a 10% increase over 2008. Our net asset balance of \$146 million represents a 6% increase, or \$8 million, over 2008. Our target net asset range is \$134 million to \$176 million. Total revenue of \$404 million represents a 1% decrease over 2008. The national economic crises caused our investment revenues to decrease from \$30 million to \$17 million. The Board of Directors approved premium rates for retained risk at higher than expected confidence levels to provide for contingencies and to improve our financial position. Expenses increased by 4% to \$395 million. Primary and excess workers' compensation claim costs were less than expected, while general liability and medical malpractice claim costs increased. Future rates and budgets adopted by the Board of Directors are designed to continue this positive trend to strengthen our financial position.

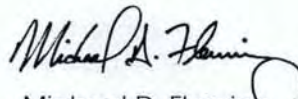
Financial Letter | *continued*

We have highlighted the revenue and expenses in the graphs on the following pages. Favorable primary workers' compensation claim experience allowed the Primary Workers' Compensation (PWC) Committee to return a \$4 million dividend to members, while still increasing net assets by \$4.9 million. Excess Workers' Compensation premium revenues for transferred and retained risk decreased by 15%. Claims costs also decreased by 44%. Excess Workers' Compensation net assets increased from \$38.8 million to \$39.1 million. General Liability I claims costs increased by \$10.8 million. Despite claim increases, net assets improved from \$20.2 million to \$22.8 million, a 12% increase. Medical Malpractice claims costs increased by \$4.6 million. Claim increases reduced Medical Malpractice net assets from \$8 million to \$7.7 million, a 3% decrease. Membership growth in the EIAHealth Program increased revenues by \$14 million, or 12%. The EIA continues to assist members with over \$3 million for risk management and loss prevention services and subsidies. These expenses have been allocated to help members reduce the cost of claims. Under your leadership, we have created an extremely efficient and cost effective organization.

Respectfully submitted,



Robert C. Adams
Chief Financial Officer

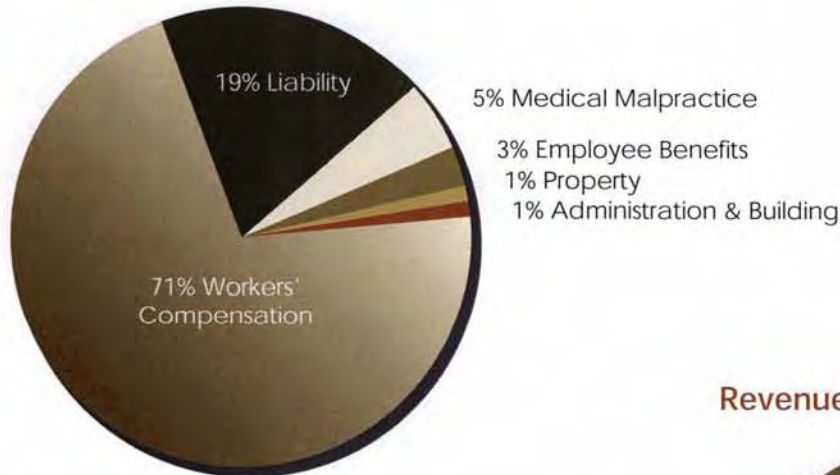


Michael D. Fleming
Chief Executive Officer
Secretary/Treasurer

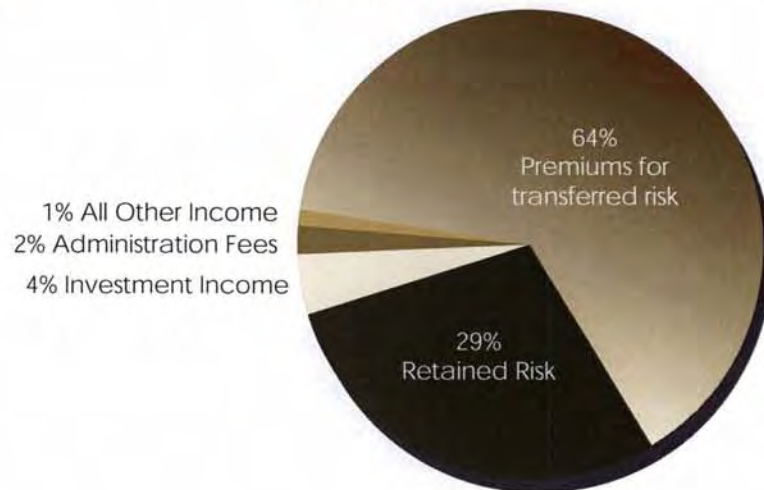
Financial Profile

Financial Results in Brief 2008/2009

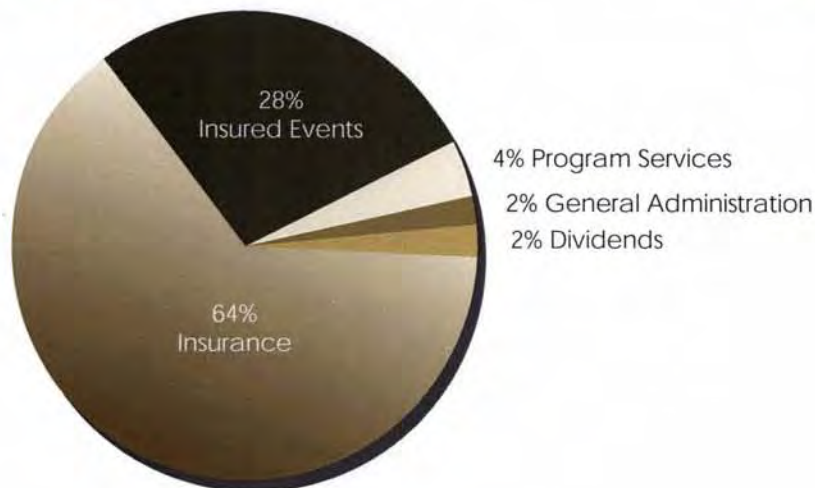
Total Assets by Program



Revenues



Expenses



Financial Profile | *continued*

Statement of Net Assets, June 30, 2009 & 2008

	<u>June 30, 2009</u>	<u>June 30, 2008</u>
Assets:		
Cash	\$300	\$300
Cash in Banks	3,156,523	5,454,554
Cash in the EIA Treasury	<u>41,111,926</u>	<u>41,314,791</u>
Total Cash & Cash Equivalents	<u>44,268,749</u>	<u>46,769,645</u>
Investments	441,140,161	404,917,215
Accounts Receivable		
Due from Members	19,675,920	18,105,861
Investment Income Receivable	4,131,453	4,201,712
Insurance Claims	13,409,230	9,900,194
Other Receivables	5,333	119,644
Prepaid Insurance and Expenses	65,356,875	54,295,920
Land, Buildings and Equipment (Net)	<u>1,495,191</u>	<u>1,608,877</u>
Total Assets	<u>589,482,912</u>	<u>539,919,068</u>
Liabilities:		
Accounts Payable	5,544,152	3,830,531
Due to Members	17,721,794	15,823,513
Deferred Income	5,696,320	5,204,179
Claim Liabilities	386,419,459	350,661,426
Unallocated Loss Adjustment Expense Payable	27,973,048	26,461,103
Compensated Absences	194,113	157,242
Other Post Employment Benefits	<u>140,653</u>	<u>70,256</u>
Total Liabilities	<u>443,689,539</u>	<u>402,208,250</u>
Net Assets:		
Invested in Capital Assets	1,495,191	1,608,877
Unrestricted	<u>144,298,182</u>	<u>136,101,941</u>
Total Net Assets	<u>\$145,793,373</u>	<u>\$137,710,818</u>

Financial Profile | *continued*

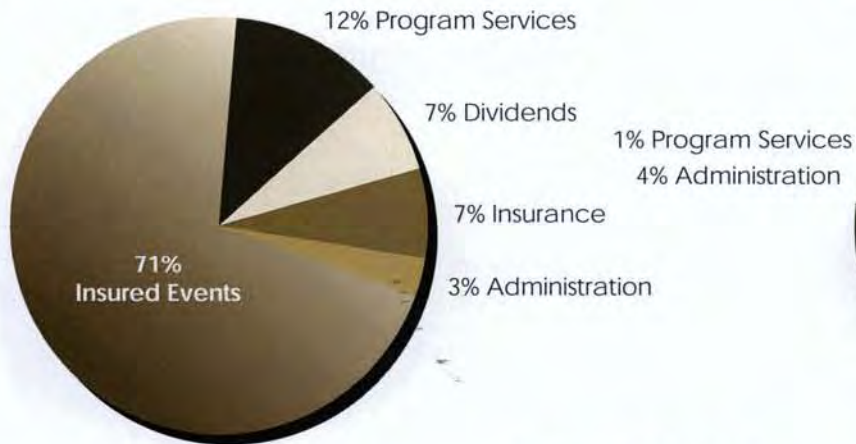
Statement of Revenues, Expenses & Changes in Net Assets For the Fiscal Years Ended June 30, 2009 and 2008

	<u>June 30, 2009</u>	<u>June 30, 2008</u>
Revenues:		
Premiums for Transferred Risk	\$254,320,478	\$220,902,418
Contributions for Retained Risk	115,099,254	141,698,901
Broker Fees	5,297,432	5,165,546
Dividend Income	140,745	232,604
Investment Income	17,491,130	29,924,931
Financing Charges	255,000	256,509
Member Services	359,000	343,927
Administration Fees	8,685,053	8,340,306
Public Entity Fees	504,933	596,548
Development Fees	11,650	7,250
Other Income	<u>1,359,005</u>	<u>221,866</u>
Total Revenues	<u>403,523,680</u>	<u>407,690,806</u>
Expenses:		
Member Dividend Expenses	6,413,485	14,953,741
Insurance and Provision for Losses:		
Insurance Expense	246,829,609	214,718,407
Broker Fees	5,297,219	5,166,381
Provision for Insured Events	110,454,729	126,800,379
Unallocated Loss Adjustment Expenses	1,522,169	2,851,370
Program Services	15,520,612	10,375,092
Member Services & Subsidies	3,070,751	588,184
General Administrative Services	6,086,854	5,376,195
Depreciation	<u>245,697</u>	<u>254,376</u>
Total Expenses	<u>395,441,125</u>	<u>381,084,125</u>
Changes in Net Assets	8,082,555	26,606,681
Net Assets:		
Net Assets, Beginning of Year	<u>137,710,818</u>	<u>111,104,137</u>
Net Assets, End of Year	<u>\$145,793,373</u>	<u>\$137,710,818</u>

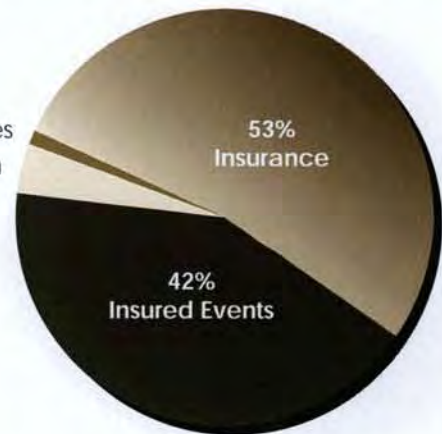
Financial Profile | *continued*

2008/2009 Operating Results by Program

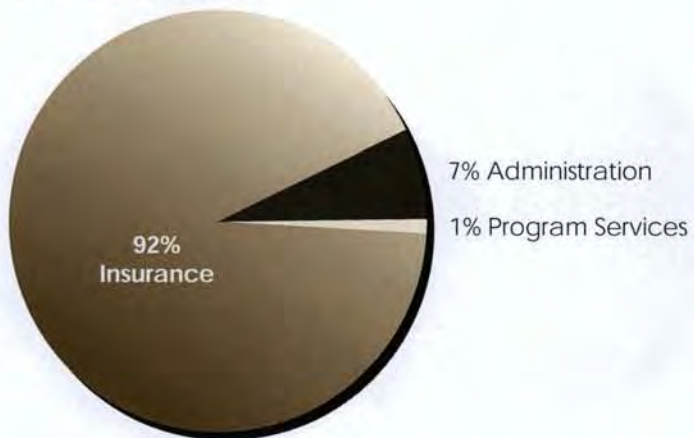
Primary Workers' Compensation



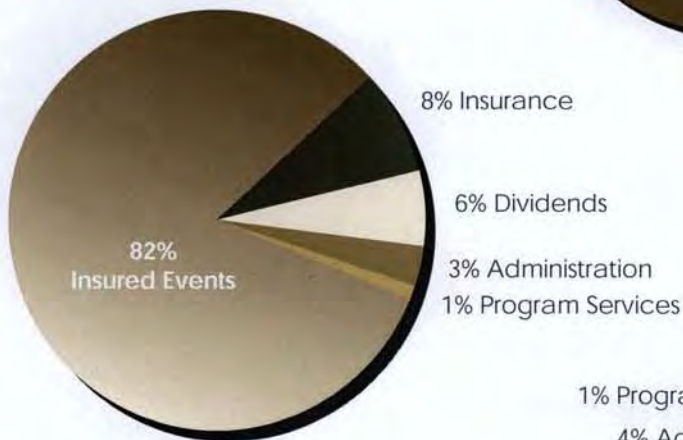
Excess Workers' Compensation



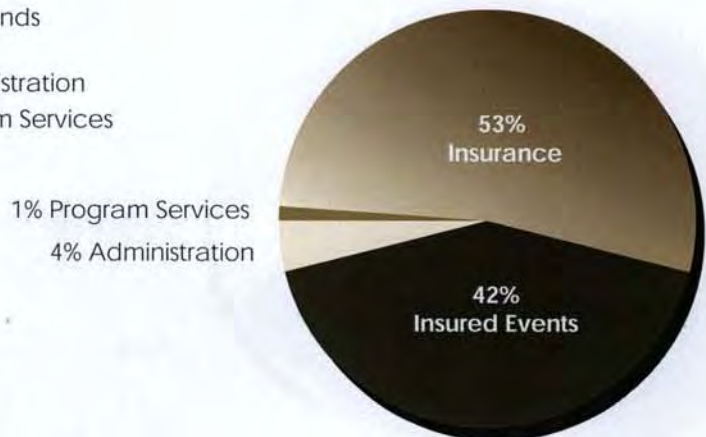
Primary Liability



General Liability I



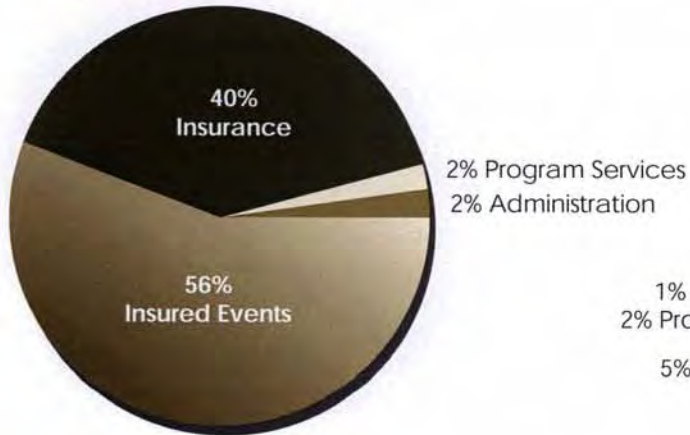
General Liability II



Financial Profile | *continued*

2008/2009 Operating Results by Program

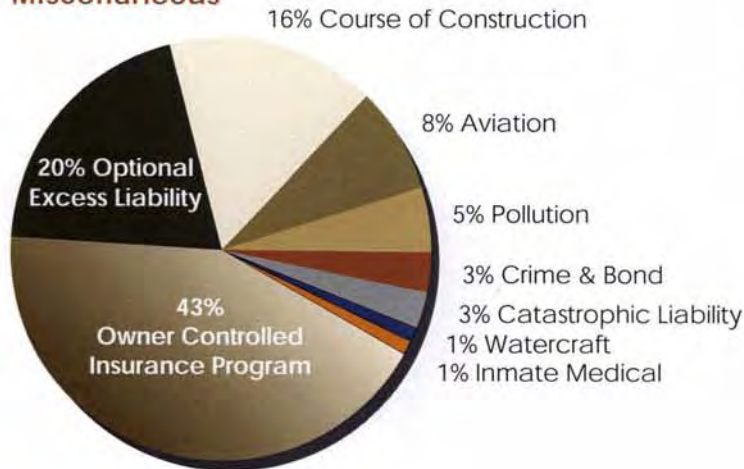
Medical Malpractice



Property



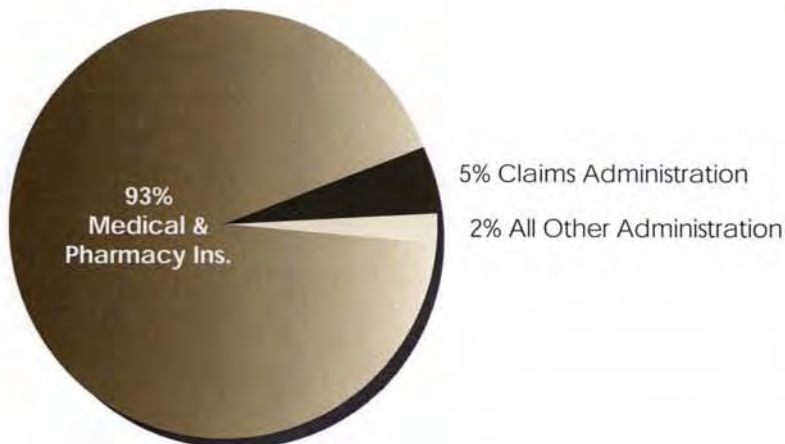
Miscellaneous



Employee Benefits



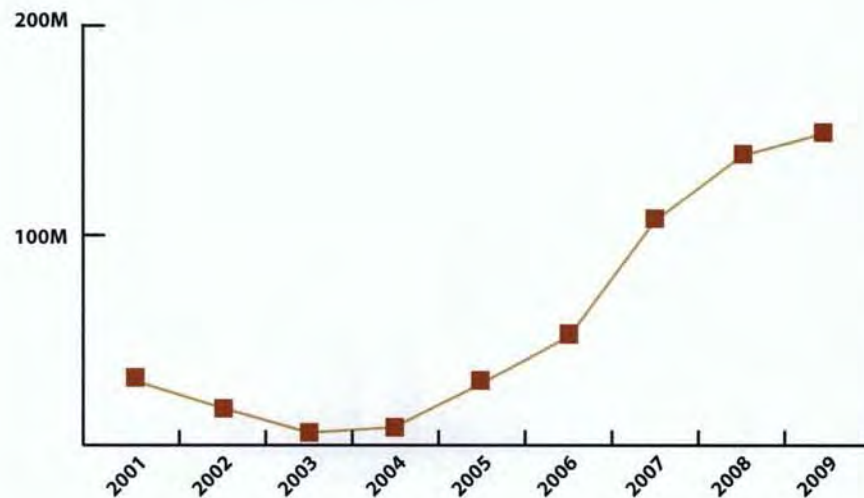
EIAHealth



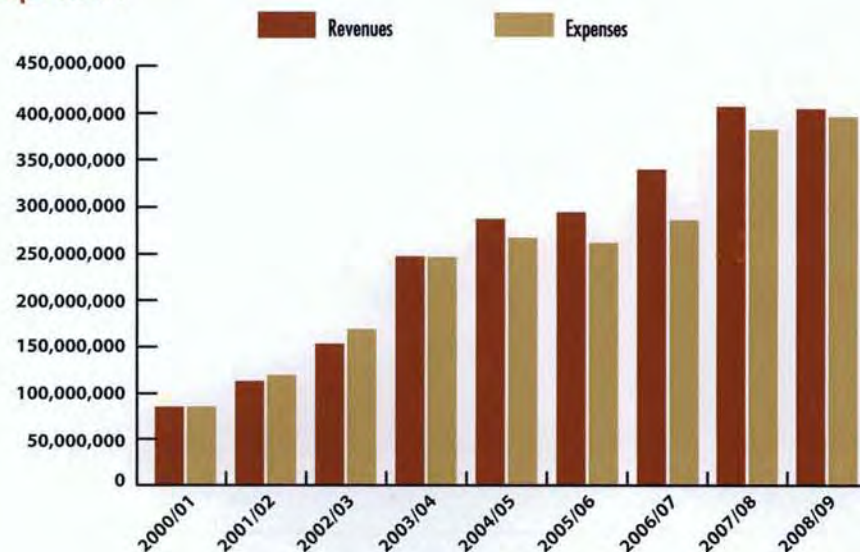
Financial Trends

The Statement of Net Assets presents information on all the EIA's assets and liabilities, with the difference between the two reported as "net assets". Over time, increases or decreases in net assets may serve as a useful indicator of whether our financial position is improving or deteriorating. As of June 30, 2009, net assets have grown to \$146 million. The following chart shows how net assets have grown from a 10 year low of \$4.4 million to \$146 million. Net assets increase when total revenues exceed expenses. The next chart shows revenue and expense trends over the past nine years. From 2000 to 2003, escalating workers' compensation claim costs caused expenses to exceed revenues resulting in a net asset decline to a low of \$4.4 million. Rate changes, loss prevention subsidies and training, and the medical provider network initiatives approved by our Board of Directors together with workers' compensation legislative reforms have all helped to reverse that trend. For the past six years, revenues have exceeded expenses improving our net asset balance to \$146 million.

Net Assets



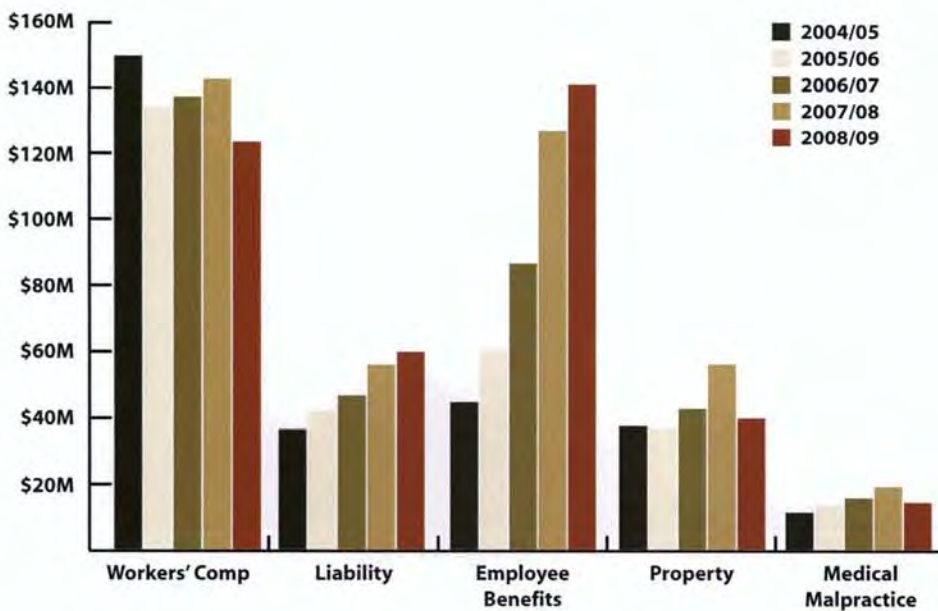
Total Revenues vs Expenses



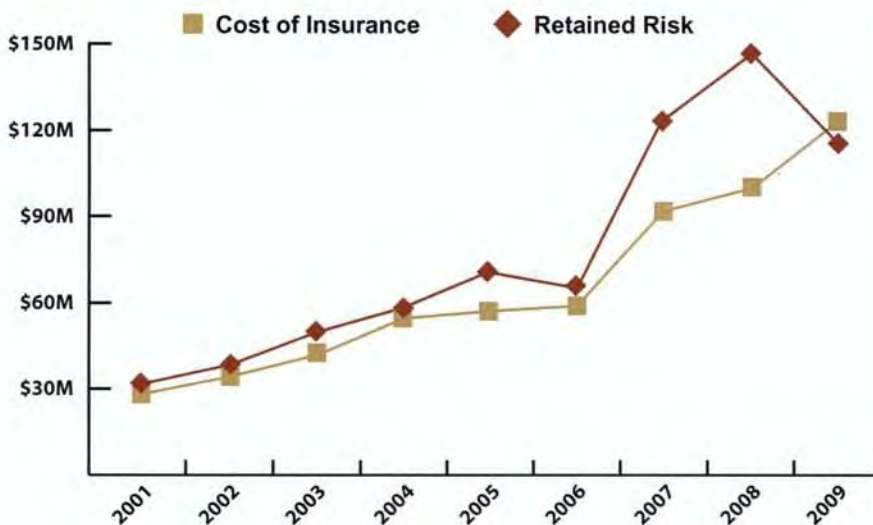
Financial Trends | *continued*

The chart on the previous page shows a steady increase in revenues. The following chart shows that this growth was across all major programs. Our workers' compensation programs have been our largest programs. The EIAHealth Program has been our fastest growing program. Workers' compensation payroll for fiscal year 2009 increased by 3%. During the past 10 years, covered payrolls have increased 253%. In 2000, covered property values were \$16.9 billion. Fiscal year 2009 property values were \$41 billion, a 9% increase over 2008 and a 10 year increase of 144%. The EIAHealth Program's revenues have increased from \$116 million in 2008 to \$130 million in 2009. Other EIA programs have also recognized substantial growth

Revenues by Program



Cost of Insurance vs. Retained Risk



The EIA's programs combine the purchase of insurance with the retention of risk when it is cost effective to do so. The chart to the left shows the cost of insurance and the provisions set aside for pooled claims in our property and casualty programs. Beginning last year we were able to realize savings in our Excess Workers' Compensation Program by purchasing coverage in a layer which has historically been pooled. This explains the decrease in retained risk and the increase in the cost of insurance, as illustrated in the chart.

County Membership and Self-Insured Retentions/Deductibles

Organization Name	PWC	EWC	PGL	GLI	GLII	Property	Med Mal	Health
Alameda County		3,000,000			1,000,000	50,000	100,000	
Alpine County		125,000		100,000		25,000	5,000	
Amador County	0	125,000	10,000	100,000		5,000	10,000	
Butte County		125,000		100,000		5,000	10,000	
Calaveras County	0	125,000		100,000		5,000	5,000	0
Colusa County		125,000		100,000		25,000	5,000	
Contra Costa County		750,000			1,000,000	50,000	500,000	
Del Norte County		125,000		100,000		25,000	5,000	
El Dorado County		300,000			1,000,000	25,000	10,000	
Fresno County		500,000		750,000		25,000		
Glenn County							10,000	
Humboldt County	0	125,000		150,000		5,000	10,000	
Imperial County		300,000		200,000		5,000	10,000	
Inyo County	0	125,000		100,000		5,000	10,000	
Kern County						50,000		
Kings County		300,000		500,000		5,000	5,000	
Lake County	0	125,000	10,000	100,000		5,000		
Lassen County		125,000		100,000		25,000		
Madera County		125,000		100,000		5,000	10,000	
Marin County							100,000	
Mariposa County		300,000		100,000		5,000	5,000	
Mendocino County	0	125,000		150,000		10,000	5,000	
Merced County		300,000		100,000		5,000	5,000	0
Modoc County		125,000		100,000		25,000	5,000	
Mono County		125,000		100,000		25,000	5,000	
Monterey County		400,000				25,000		
Napa County		350,000		300,000		5,000	10,000	

County Membership and Self-Insured Retentions/Deductibles | *continued*

Organization Name	PWC	EWC	PGL	GLI	GLII	Property	Med Mal	Health
Nevada County	0	125,000		100,000		25,000	10,000	
Orange County						10,000		
Placer County		300,000			1,000,000	5,000	5,000	
Plumas County		125,000		100,000		10,000	10,000	
Riverside County		2,000,000			1,000,000	50,000	1,100,000	
Sacramento County		2,000,000				50,000		
San Benito County		125,000		100,000		25,000	10,000	
San Diego County		2,000,000				50,000		
San Joaquin County		500,000			1,000,000	25,000	1,000,000	
San Luis Obispo County		250,000		250,000		10,000	10,000	
Santa Barbara County		500,000		500,000		10,000	500,000	
Santa Clara County		4,000,000			2,000,000	50,000	500,000	
Santa Cruz County		500,000			1,000,000	5,000	10,000	
Shasta County		250,000		250,000		25,000	10,000	
Sierra County		125,000		100,000		25,000	5,000	
Siskiyou County	0	125,000	10,000	100,000		10,000	5,000	
Solano County		125,000	10,000	100,000		5,000	5,000	
Sonoma County		300,000		1,000,000		50,000	5,000	
Stanislaus County		500,000		250,000		10,000	500,000	
Sutter County	0	125,000		100,000		5,000	5,000	
Tehama County	0	125,000		100,000		5,000	5,000	0
Trinity County		125,000		100,000		25,000	5,000	
Tulare County		125,000		250,000	1,000,000	10,000	10,000	0
Tuolumne County		300,000	10,000	100,000		5,000	10,000	
Ventura County						10,000		
Yolo County						25,000	10,000	
Yuba County	0	125,000		100,000		5,000	10,000	
Total	11	48	5	37	9	52	45	4

Public Entity Membership and Self-Insured Retentions/Deductibles

Organization Name	PWC	EWC	PGL	GLI	GLII	Property	Med Mal	Health
ACCEL		various						
Alameda County Medical Center		2,000,000						
Amador Regional Transit System	0	125,000						
Anaheim Union High School District				50,000				
Antelope Valley Healthcare District		1,000,000						
BAHARMA		500,000						
Berkeley USD		250,000						
BICEP		various						
Burbank Redevelopment Agency			10,000	100,000				
CADA				50,000				
California Fair Services Authority		500,000						
Campbell Union High School District		250,000		100,000		75,000		
Campbell Union School District	0	125,000						
CAPRI		500,000						
Casitas Municipal Water District		125,000						
Central Sierra Child Support Agency	0	125,000	10,000	100,000		5,000		
City of Bakersfield						5,000		
City of Bell		250,000						
City of Belmont	0	125,000						
City of Burbank		2,000,000						
City of Burlingame		500,000						
City of Carmel By The Sea	0	125,000	10,000	100,000		10,000		
City of Chula Vista		1,000,000						
City of Concord		500,000		500,000		10,000		
City of Corona		1,000,000						
City of Covina		500,000		500,000		25,000		
City of Cupertino		500,000						
City of Daly City		350,000						

Public Entity Membership and Self-Insured Retentions/Deductibles | *continued*

Organization Name	PWC	EWC	PGL	GLI	GLII	Property	Med Mal	Health
City of Del Mar		125,000						
City of Downey		750,000						
City of El Cajon	0	125,000		250,000				
City of El Monte		400,000						
City of Elk Grove				50,000		5,000		
City of Escondido		500,000						
City of Fairfield		750,000						
City of Fontana		1,000,000						
City of Fremont		500,000					5,000	
City of Fresno		2,000,000						
City of Garden Grove		1,000,000						
City of Hawthorne		500,000						
City of Hemet	0	125,000		250,000		5,000		
City of Imperial Beach		125,000						
City of Irvine								0
City of Laguna Hills		125,000						
City of Lancaster	0	125,000		250,000				
City of Lemon Grove		125,000						
City of Lompoc		300,000		100,000				
City of Long Beach							1,000,000	
City of Merced								0
City of Millbrae		300,000						
City of Montebello		1,000,000						
City of Moreno Valley		300,000						
City of Napa		300,000		150,000		5,000		
City of National City		500,000						
City of Oakland		750,000		50,000	4,000,000	10,000	10,000	
City of Oceanside		500,000						
City of Pomona		1,000,000		1,000,000				

Public Entity Membership and Self-Insured Retentions/Deductibles | *continued*

Organization Name	PWC	EWC	PGL	GLI	GLII	Property	Med Mal	Health
City of Rancho Cordova	0	125,000	10,000	100,000		5,000		
City of Redding		750,000						0
City of Redwood City		350,000						
City of Rialto		400,000						
City of Richmond		750,000						
City of Ridgecrest		150,000		100,000		5,000		
City of Sacramento		2,000,000						
City of San Buenaventura		500,000						
City of San Clemente		300,000						
City of San Diego					4,000,000	25,000		
City of Santa Clara		500,000						
City of Santa Rosa		500,000						0
City of Simi Valley		500,000						
City of Solana Beach		125,000						
City of South San Francisco		500,000						
City of Stockton		500,000						
City of Sunnyvale		500,000						
City of Torrance		2,000,000						
City of Visalia								0
City of Whittier		500,000						
City of Yuba City								0
Community Development Commission of Los Angeles County		500,000						
Contra Costa County IHSS Public Authority			10,000	100,000				
Corona Norco USD						150,000		
Council of San Benito County Governments				25,000				
CSAC EIA	0	125,000		100,000				
Del Norte IHSS Public Authority			10,000	100,000				
East San Gabriel Valley ROP				25,000				
East Bay Regional Park District		350,000		500,000		25,000		

Public Entity Membership and Self-Insured Retentions/Deductibles | *continued*

Organization Name	PWC	EWC	PGL	GLI	GLII	Property	Med Mal	Health
Elk Grove Unified School District		500,000						
ERMAC					1,000,000			
Evergreen Elementary School District	0	125,000						
First Five Contra Costa Children and Families Commission	0	125,000						
First Five Sacramento Commission		125,000						
Gold Coast Transit	0	125,000						
Golden Empire Transit District		500,000						
GSRMA		200,000		250,000		5,000		0
GSRMA JPA				100,000				
Housing Authority of the County of Riverside			10,000	100,000		10,000		
Humboldt IHSS Public Authority			10,000					
Huntington Beach Union High School District	0	125,000						
Imperial County IHSS Public Authority			10,000	100,000				
Irvine Ranch Water District		125,000		100,000				
Kern Health Systems				50,000				
Kern IHSS Public Authority			10,000	100,000				
Kings County Area Public Transit Agency	0	125,000						
Kings Waste and Recycling Authority	0	125,000						
Lake Elsinore Unified School District		250,000						
LAWCX		5,000,000						
Madera IHSS Public Authority			10,000	100,000				
Marin County Transit District				25,000				
Marin IHSS Public Authority	0	125,000	10,000	100,000				
Merced IHSS Public Authority			10,000	100,000				
Military Dept. of the State of California				25,000				
Monterey Salinas Transit District		350,000						
Morongo Basin Transit Authority	0	125,000						
Mountain Communities Healthcare District						5,000		
Mt. Diablo USD	0	125,000				100,000		

Public Entity Membership and Self-Insured Retentions/Deductibles / *continued*

Organization Name	PWC	EWC	PGL	GLI	GLII	Property	Med Mal	Health
Municipal Pooling Authority		500,000						
NCCSIF		500,000						
NCSDIA		200,000						
Omnitrans		1,000,000						
Orange County Fire Authority		2,000,000						
Orange County Sanitation District		500,000						
PARSAC					1,000,000			
PASIS - San Bernardino		300,000						
PASIS - San Diego		various						
PERMA					1,000,000			
Riverside IHSS Public Authority			10,000	100,000				
Riverside Transit Agency		750,000						
Sacramento County Contracts	0	125,000	10,000	100,000				
Sacramento County IHSS Public Authority	0	125,000	10,000	100,000				
Sacramento Metropolitan Cable Television Commission	0	125,000						
SAFCA					100,000			
San Benito IHSS					100,000			
San Bernardino Specified Departments			10,000	100,000				
San Bernardino IHSS Public Authority			10,000	100,000				
San Diego County IHSS Public Authority			10,000	100,000				
San Diego Housing Commission						25,000		
San Diego Metro Transit System						25,000		
San Diego Unified School District				150,000		5,000		
San Joaquin IHSS Public Authority			10,000	100,000				
San Jose Unified School District				100,000		100,000		
San Mateo County Schools Insurance Group				250,000				
San Luis Obispo Transit Authority	0	125,000						
Santa Barbara Metropolitan Transit District		500,000						
Santa Clara County Vector Control District						10,000		
Santa Clara Sport & Open Space Authority				50,000				

Public Entity Membership and Self-Insured Retentions/Deductibles | *continued*

Organization Name	PWC	EWC	PGL	GLI	GLII	Property	Med Mal	Health
Santa Cruz Co. Fire Agencies Insurance Group	0	125,000						
Santa Cruz Metro Transit District		350,000						
SCSRM	0	various				100,000		
SDRMA		350,000						0
Shasta IHSS Public Authority			10,000	100,000				
SIRMA	0	125,000						
Solano Transportation Authority				100,000				
Sonoma County as Respects the Fair			10,000	100,000				
Sonoma County Employee Retirement Assoc.						5,000		
South County Area Transit District	0	125,000						
Sutter Butte Flood Control Agency JPA				100,000				
Sutter IHSS Public Authority			10,000	100,000				
Torrance USD				100,000				
Town of Colma	0	125,000						
Trindel Insurance Fund				100,000				
Tulare IHSS Public Authority			10,000	100,000				
Turlock Irrigation District		750,000						
University of CA, Hastings College of Law		125,000						
Van Horn Regional Treatment Facility			10,000	100,000				
West San Gabriel Liability and Property JPA				50,000		50,000		
West San Gabriel WC JPA	0	125,000						
Yolo PARMIA		500,000						
Total	29	112	25	61	3	27	3	8



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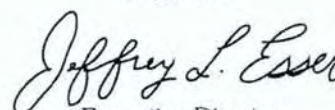
**CSAC Excess Insurance Authority
California**

for the Fiscal Year Ended

June 30, 2008



President



Executive Director



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