



Board Agenda Item 45

DATE: April 21, 2026

TO: Board of Supervisors

SUBMITTED BY: Hollis Magill, Director of Human Resources

SUBJECT: Amendment of Public Risk Innovations, Solutions, and Management Joint Powers Agreement

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute the amended Public Risk Innovations, Solutions, and Management (PRISM) Joint Powers Agreement

There is no Net County Cost associated with the recommended action. The amended Joint Powers Agreement (JPA) will amend the existing PRISM JPA to adjust the representation of counties and public entities in governance to better align with the composition of the membership. This item is countywide.

ALTERNATIVE ACTION(S):

The Board may choose not to approve the JPA amendment, which could jeopardize the county's continued membership with PRISM.

FISCAL IMPACT:

There is no Net County Cost associated with this amendment.

DISCUSSION:

PRISM was formed by and for the California counties in 1979 by the California State Association of Counties (CSAC). Today, 54 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, its members 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 ten additional 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 Board of Directors voting seats. Under this proposal, the counties will have a total of 76% of the total voting Board of Directors 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.

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 one-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 entities 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 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 proposed changes were then reviewed by the Executive Committee and the Board of Directors. PRISM also made some other amendments to the JPA 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.

REFERENCE MATERIAL:

BAI #41, May 26, 2020
BAI #44, February 28, 2006
BAI #49, September 27, 2005
BAI #28m, February 8, 2000
BAI #30G, November 5, 1996
BAI #37j, January 10, 1989
BAI #25, July 1, 1968
BAI #79-1884, August 14, 1979

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - JPA Amendment 2026
On file with Clerk - Redline Version of JPA Amendment 2026
On file with Clerk - Summary of Redlines for JPA Amendment 2026

CAO ANALYST:

Sevag Tateosian