

# Celebrating the Past Preparing for the Future

1

# Turnover

There is significant turnover at a time that is critical in pooling evolution.

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# Turnover

- **Growth** in virtually every respect since 1974
- A move toward **in-house operations**

past



present



future



# Turnover

- We have **recruitment and retention struggles**
- Our **service providers are hurting** too
- More turnover among our **governing bodies**
- Significant **knowledge retention** risks

past



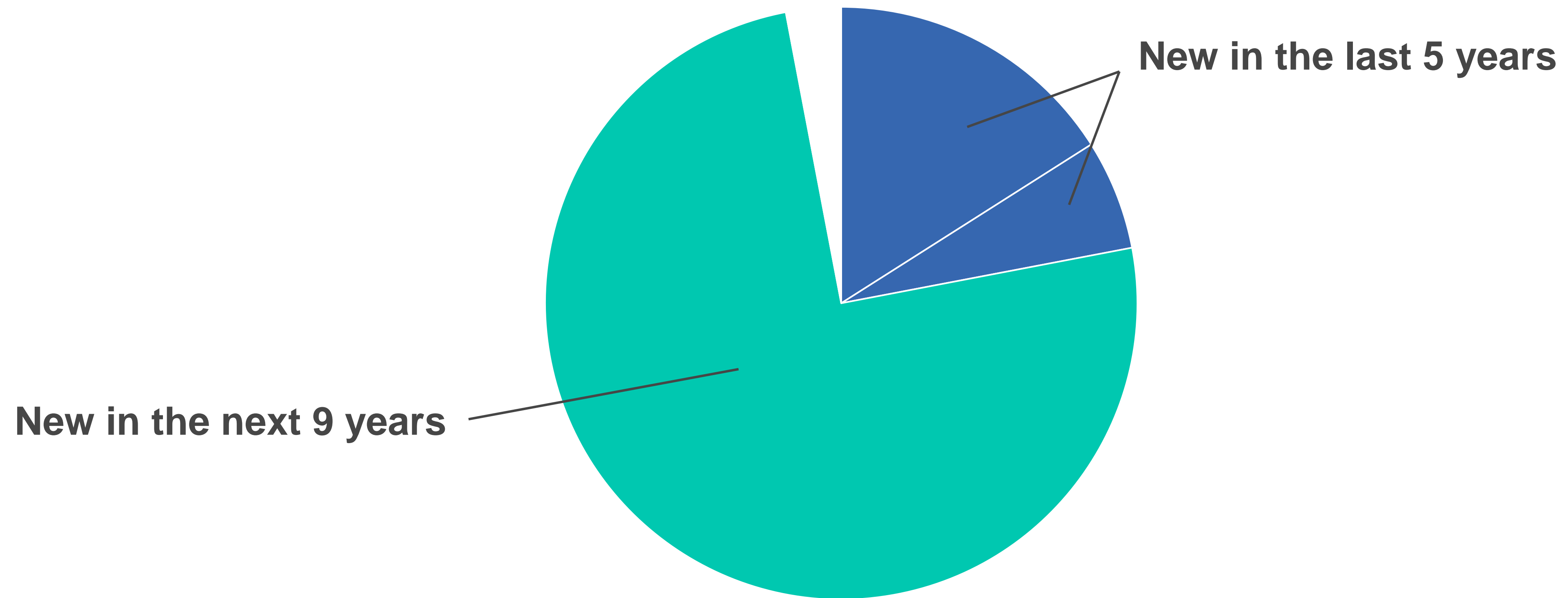
present



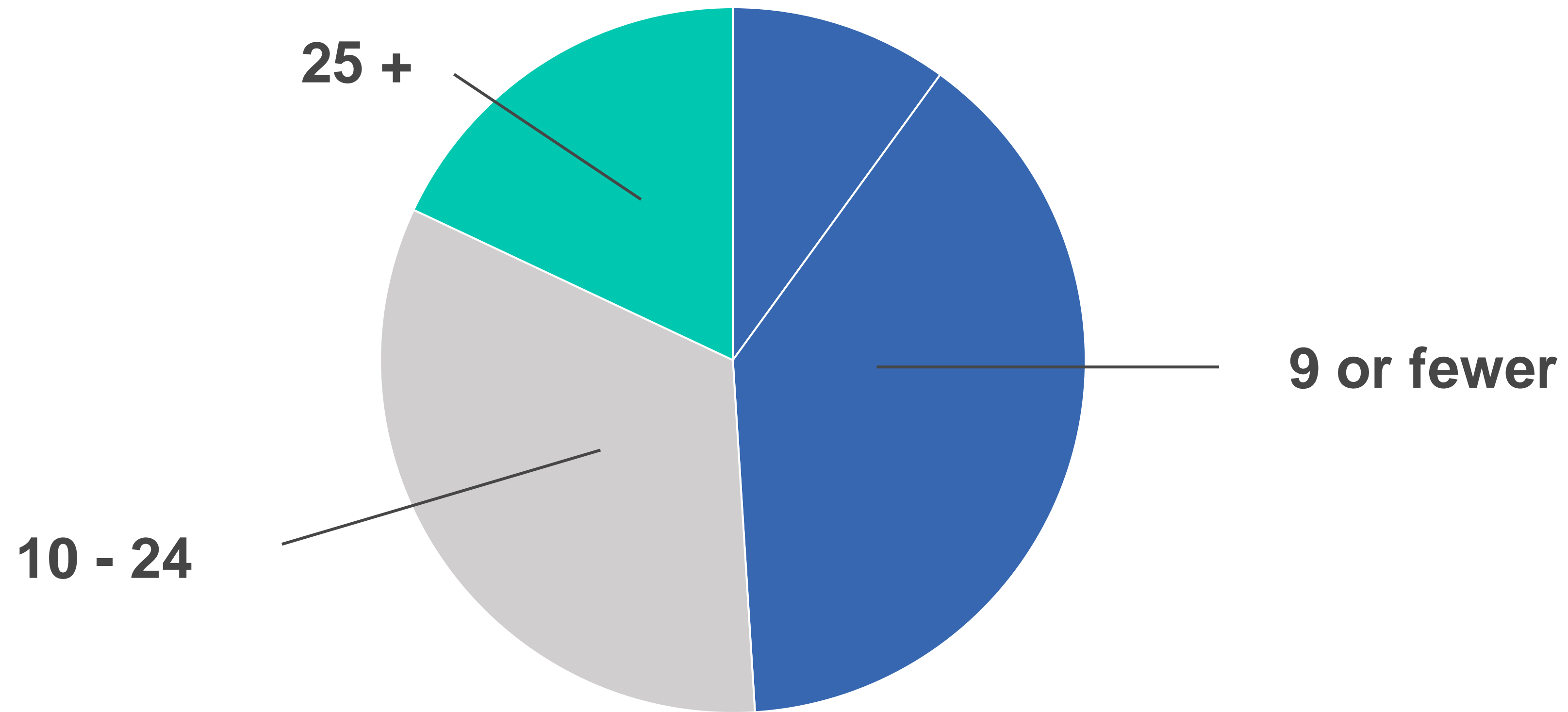
future



# Top Pool Executives



# Years of Pooling Experience



# Turnover

- We will conduct **frequent orientations** and onboarding
- Recruitment and **retention efforts will be structured**
- We will **document** to ensure business continuity

past



present



future



# Cybersecurity

2

There is:

- Increasing **risk** among public entities
- Increasing **frequency and severity** of claims
- Increasing **demand** for coverage
- Increasing **cost** and decreasing availability of reinsurance
- A lot of other stuff that makes this messy



# Cybersecurity



past



present



future



# Cybersecurity

- The **most recent cyber breaches** impact perceptions
- There are **irreconcilable differences** between public resources and reinsurer expectations
- Technology continues to **change rapidly**
- Cybersecurity rests upon **unrelenting user vigilance**

past



present



future



# Cybersecurity

- Cyber exposures and premiums will **outpace liability** exposures and premiums
- In order to remain viable, pools will develop and **introduce novel cyber coverage** and mitigation

past



present



future





3

# Weather Patterns

There are **changing patterns,** **increasing frequency and severity of** hurricanes, wildfires, storms, hail, cricket infestations, and other weather-related events.

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# Weather Patterns

August 01, 2016

*Assuming no changes in reserving methodologies, our actuarial analysis indicates a **reduction in property rates of 10.6 percent** in 2017.*

past



present



future





# Weather Patterns



past



present



future





# Weather Patterns



past



present



future





# Weather Patterns

- Call to action for investment in **new infrastructure and community resiliency**
- The precision of **catastrophe modeling will improve**
- Coverage and pricing will **become more exacting**

past



present



future





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# Well-Being

We face many new stressors, but increased mental health awareness and treatment means well-being is becoming better supported.

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# Well-Being

- Well-being has **not been an area of focus** or even something we talk about much
- Pools were **early advocates** for workplace wellness and integrated disability management

past



present



future



# Well-Being

- **State and federal laws** address well-being
- **Technology influences** impact our relationships
- We live at a time of **social rebalancing**
- We face **polarization** and distrust
- **The pandemic sucked**
- A record number of people suffer from **burn-out**

past



present



future



# Well-Being

- New expectations in **employment relationships**
- **Physical and mental health services** fully incorporate well-being needs
- We will **live longer**

past



present



future



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# Pooling Mindset

**Pools are not too big, well  
established or important to fail.**

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# Pool Mindset

- Pools started from **necessity**
- Our roots are in public entity governance models and we hold **values that serve the greater good**

past



present



future



# Pool Mindset

- Pools are **mature organizations**
- We must guard against **active inertia**
- There are strong beliefs about **pooling culture**

past



present



future



# Pool Mindset

- Pools deliver **commercial value** to public entities
- Pools **shape the market** for coverage, services
- Pools hold long-term **member relationships**
- Pools bolster **community values**
- Pools have an ecosystem of **shared best practices**
- Pools **act sustainably**, ethically and consistently

past



present



future





TURNOVER

CYBERSECURITY

WEATHER PATTERNS

WELL-BEING

POOLING MINDSET

