BOE Agenda Item Executive Summary
June 12, 2023

Topic: Property and Casualty Insurance (Annual)

Background Information: Since 1992, the district's property and casualty insurance program has assumed a large, self-insured retention in order to control costs. A broker is involved at renewal each year to take the different coverages to market, seeking the best coverages and most competitive rate for the district. Deductibles, tolerance, and the needs of the district are closely examined. Market increases have continued to progressively increase year over year, with the average public entity school district with good controls in place such as ours is seeing anywhere from 10-20% increase overall in costs at the current time, with particularly tough markets in property and cyber liability. The district has undertaken efforts in both of these areas within the last fiscal year to tighten controls (i.e.: working with IT and cyber liability carriers to enhance multi-factor authentication for log-in and increase phishing testing, increasing frequency of property appraisals, and keeping these more updated). Without these controls, we could be looking at even more elevated numbers.

Of note in the tables below, in fiscal year 2022-2023, the district took on a different carrier and also introduced three new programs of protection: cyber liability, educator's legal liability, and active assailant. This is the reason for a different list of items on the right sided columns for those two prior years, with some things arranged slightly different with that new carrier.

Type of Insurance	Projected 2023-2024	2022-2023
General Liability	$133,360	$125,811
Excess Liability	$71,228	$67,196
Business Auto	$103,219	$97,376
Property	$3,837,311	$3,007,241
Educator & Professional Liability	$79,539	$75,037
Law Enforcement Liability	$15,181	$14,322
Cyber Liability	$150,000	$97,000
Crime/Dishonesty	$10,000	$8,907
Excess Work Comp	$196,846	$187,472
Underground Tanks	$3,500	$3,018
Active Assailant	$43,783	$38,250
Terrorism	$39,631	$32,445
Fine Arts Floater & Drone	$11,500	$10,457
Misc. Bonds	$1,262	$1,262
Policy Fees	$9,000	$8,403
All Surplus Lines Tax	$270,000	$199,311
Broker Fees	$125,000	$125,000
Total	$5,100,000	$4,098,508

Type of Insurance	2021-2022	2020-2021
P&C Package	$784,946	$744,035
Surplus Lines Tax	$203,081	$177,413
Excess Property	$2,599,759	$2,114,835
Flood	Included	Included
Crime/Dishonesty	$8,734	$8,945
SSC and MIS	Included	Included
Excess Work Comp	$178,206	$164,792
Underground Tanks	$3,354	$3,354
Misc. Bonds	$0	$100
Terrorism	$32,000	$34,320
Excess Liability	Included	Included
Public Official Bond	$1,262	$1,262
Builders Risk-Reporting Form	Not necessary for 2021-2022	Not necessary for 2021-2022
Fine Arts Floater & Special Coverages	$56,517	$70,624
Brokers Fee	$90,000	$86,275
Total	$3,971,404	$3,406,983

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