
TIPTON COMMUNITY SCHOOL CORPORATION
MEMORANDUM

TO: Board of School Trustees
FROM: Kevin Emsweller, Superintendent
DATE: 04/12/2016
RE: **Property & Casualty Insurance Renewal**

The Property and Casualty Insurance with Assured Partners was set to expire on April 25. That has been renewed. I have attached the Executive Summary and a listing of the loss experiences of Property, Auto, and Liability. As the summary indicates, the loss experience for property and auto has been very good - 9% and 13% respectively.

However, the loss experience for liability is at 206%. In the seven year period, we have had two major claims filed:

- The bus injury on a contracted bus (11/12/2014). We were eventually removed from that claim, but there was still over \$70,000 in expenses that was incurred to do so.
- The sexual assault claim from 4/1/2014. This is the recent settlement (\$188,000) reached with Becks.

Over the seven year period, our premium payments have totaled \$148,207, while the insurance company has paid out \$304,738.

With the liability claims, we will have an increase of \$16,867 (15.8%) in premiums. This could have easily been a 30% increase. Other schools, even without such claims, are seeing an 8-12% increase. Other factors impacting our premiums include an increase in property of \$157,000, and a decrease in student count. We could shop around, but those claims will follow us and rates will not be that good. At least with Assured Partners (using Wright Specialties) they are familiar with our history as well as our ongoing efforts to reduce claims and they provide us with the best deal possible.

Assured Partners also donates \$1000 for our subscription to SafeSchools.com that we use for our video training of staff in a variety of topics, including those required by the state.

MEMO

It is recommended to approve the extension of the Property & Casualty Insurance with Assured Partners and they have represent Tipton well in the past, It is recommended that we accept the quote from Wright Specialty for \$114,652.