NAFCS 2017-2018
Property, Casualty and Workers' Compensation
Insurance Renewal Summary

The insurance program was reviewed and maintained with the current insurance carrier this renewal term as pricing aligned with current market conditions and exposure changes. Travelers, Liberty and CNA were approached, and based on their feedback and prior attempts to market this past year, it was clear the incumbent carriers were the best option. It is also beneficial to insure the primary Property program with the same insurance carrier that places the referendum related builders' risk coverage. NAFCS has fostered a solid relationship with the primary incumbent carriers however for newly placed lines of coverage, that are ever changing in the marketplace, such as Cyber, we did market to multiple carriers as a precaution.

The insurance carriers we recommend for the 2017-2018 policy year are as follows;

Property – Chubb (Incumbent)
Casualty – WRM (Incumbent)
Excess Workers' Compensation – Midwest Employers (Incumbent)
Workers' Compensation TPA – York/CMI
Cyber – Lloyd's (Incumbent); WRM

The property and inland marine carrier, Chubb, provided a guaranteed rate from last year and are flat (no increase) from current year. This was a 2 year rate guarantee, subject to a 50% or less 1 year loss ratio, no substantial change in exposure and availability of reinsurance (if required). Property values remained consistent with current year, as replacement cost evaluations were reviewed in thoroughly through the referendum discussions. The primary result of those evaluations, were to increase the cost per square foot for each high school to $200.00. The current policy terms and conditions, including the improved Flood terms in high hazard zones, AE (Prosser) and Floyd Central High School football field and related facilities remained unchanged.

WRM offered the following renewal premium changes in comparison to last year; General Liability including Law Enforcement Liability (5%), Commercial Automobile (8%), Educators Legal Liability (8%), Excess/Umbrella Liability (Flat), Crime (Flat), for a collective average of 6.5% increase in rate, which is consistent with current market averages. Auto experienced an increase in number of losses and total paid in claims. Policy terms and conditions have remained consistent from current year.

The self-insured workers' compensation program continues to perform well. The overall loss rate which is used to calculate future losses continually improves. year-on-year. The program continues to outperform the traditional marketplace, and has saved NAFCS in excess of $500,000 over the last 5 years based on past insurance premiums, deductible reimbursements, payroll exposures, market trends and medical inflation. The excess workers' compensation carrier, Midwest Employers, has held rate consistent, premium increase correlates with the increase in payroll exposure. York, the TPA administrator, has renewed with a minimal increase based on prior utilization.

Cyber was marketed and based on terms, conditions and pricing, we recommend the program stay with the incumbent carrier, NAS, a program written on Lloyds of London paper. This line of coverage continues to evolve at a rapid pace, as more carriers enter the marketplace, as well as claim activity matures in a fairly new environment. Overall terms and conditions remained the same and pricing decreased 8%, with the current policy.

Overall rate increase is very competitive 3.6% as market conditions have tightened and insureds have realized significant increases in automobile and property throughout the US due to adverse claims trends and catastrophes. Also, NAFCS exposures have increased in the general liability and workers compensation lines respectively.

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Insurance Program Summary
PREMIUM COMPARISON

New Albany Floyd County Consolidated School Corporation	
Policy Period:	12/31/2017 to 12/31/2018

Coverage	Expiring Premium	Expiring Exposure	Renewal Premium	Renewal Exposure
Property	$338,016	501,273,883 TIV	$339,529	501,273,883 TIV
Machinery Breakdown	Included	Property Limit	Included	Property Limit
Inland Marine	$7,032	1,677,213 TIV	$7,032	1,677,213 TIV
Crime	$1,188	100,000 EE Dishonesty	$1,062	100,000 EE Dishonesty
General Liability	$109,201	12,715 Students 735 Faculty	$114,513	12,754 Students 737 Faculty
Educators Legal Liability	$66,828	1,000,000 Limit	$72,303	1,000,000 Limit
Law Enforcement Liability	$2,031	1,000,000 Limit	$2,712	1,000,000 Limit
Commercial Auto	$232,133	257 Vehicles	$250,975	256 Vehicles
Garagekeepers Liability	Included	60,000 Limit	Included	60,000 Limit
Excess Workers Compensation	$49,768	60,800,000 Payroll	$51,049	61,112,000 Payroll
Third Party Administrator Fees	$28,000		$28,850	
Cyber Liability	$13,954	1,000,000 Limit	$12,865	1,000,000 Limit
Umbrella	$56,248	5,000,000 Limit	$56,291	5,000,000 Limit
Estimated Annual Premium	**$904,399**		**$937,181**	
Terrorism	Included		Included	
Total Estimated Annual Premium	**$904,399**		**$937,181**	