



FLOYD COUNTY BOARD OF EDUCATION
Anna Whitaker Shepherd, Superintendent
442 KY RT 550
Eastern, KY 41622
Telephone (606) 886-2354 Fax (606) 886-4550
www.floyd.kyschools.us

William Newsome, Jr., Board Chair - District
Linda C. Gearheart, Vice-Chair - District 1
Dr. Chandra Varia, Member- District 2
Keith Smallwood, Member - District 4
Steve Slone, Member - District 5

DATE: June 11, 2024

AGENDA ITEM: Consider/Approve the following: Renew insurance for Fleet, General Liability, Educators Legal Liability, and Cyber Liability insurance coverage for the 2025 fiscal year with Liberty Mutual. FY 2025: Workers Compensation Re-insurance with aggregate excess through Liberty Mutual, Third Party Administrator Claims Administration with Davies, and Annual Loss Control Program with Houchens Insurance Group.

APPLICABLE STATUTE(S), REGULATION(S), BOARD POLICY/PROCEDURE(S):
BOE Policy 03.124,01.11, 05.6; KRS 45A.345-460; KRS Chapter 342, BOE Policy 1.11

FISCAL/BUDGETARY IMPACT: Proposed renewal is an approximate \$332,129.59 increase over the expiring premium package, auto premium, umbrella premium, pollution liability, mine subsidence and cyber liability.

Workers Compensation Re-insurance fixed Cost are as follows; Excess Insurance \$228,781, Claims Administration \$26,065, loss control \$15,600, and KY State Taxes of 6.53% (2024) based on a "simulated premium". Fixed cost is an estimated \$12,708 over the expiring premium.


HISTORY/BACKGROUND: The district is required to bid out property and fleet insurance per KRS 45A.345 and 45A.365 while liability need not to be bid per KRS 45A.380(10). As part of our bidding procedures and specifications we include to renew annually in one-year increments, therefore reducing the annual bidding process, and creating some consistency while also keeping pricing competitive. In December 2020 the district approved Houchens Insurance Group as the insurance agent with a contract for 3 years with the option of renewal for up to two (2) additional one year terms.

STAFF RECOMMENDATION & RATIONALE: Approve as presented.

CONTACT PERSON: Tiffany Warrix Campbell, Director of Finance



DIRECTOR



SUPERINTENDENT



Floyd County Board of Education

PREMIUM COMPARISON		
	2023-2024	2024-2025
Line of Coverage	Liberty Mutual \$25,000 Property Deductible	Liberty Mutual \$25,000 Property Deductible \$100,000 Wind/Hail Deductible
Blanket Building and Contents Total Insured Value – 1.1 through 3.2 and 4.1 through 15.1	\$423,556,025	\$412,785,853
Blanket Building and Contents Actual Cash Value – 3.3		\$9,355,184
Flood Coverage Limit - Flood excluded from 18 locations	\$5,000,000	\$5,000,000
Earthquake Limit	\$10,000,000	\$10,000,000
Package Premium	\$760,020	\$989,895
Auto Premium	\$613,495	\$735,272
Umbrella Premium	\$135,279	\$113,963
P & C Total	\$1,508,794	\$1,839,130
		Accept Coverage <input type="checkbox"/>
		Decline Coverage <input type="checkbox"/>
	2023-2024	2024-2025
Workers Compensation – Liberty Mutual Self-Insured	\$216,688	\$228,781
Workers Comp - TPA	\$25,450	\$26,065
Loss Control/Risk Mgmt. Services – HIG Education	\$15,600	\$15,600
WC Total Fixed Costs	\$257,738	\$270,446
		Accept Coverage <input type="checkbox"/>
		Decline Coverage <input type="checkbox"/>
	2023-2024	2024-2025
Pollution Liability - Chubb	\$14,169.71	\$13,915.30
		Accept Coverage <input type="checkbox"/>
		Decline Coverage <input type="checkbox"/>
<p>This presentation is designed to give you an overview of the insurance coverages we are offering for your company. It is meant only as a general understanding of your insurance needs and should not be construed as a legal interpretation of the insurance policies that will be written for you. Please refer to your specific insurance contracts for details on coverages, conditions, and exclusions.</p>		

CHANGES IN 2024-25 LIBERTY MUTUAL RENEWAL

- Deleted Per Event Deductible from Commercial Auto Policy.
- Increased Comp/Collision Deductible to \$5,000.
- Amended Replacement Cost Coverage for buses from 10yr to 5yr.
- Added \$100,000 Wind/Hail Deductible per location.
- 10% Deductible for Flood/Earthquake subject to \$100,000 min from \$25,000 min.
- Added Water Damage Deductible of \$50,000 per location.
- Added ACV Roof Endorsements on roofs considered in disrepair.
- Added Cosmetic Roof Endorsement on any metal roofs.
- SLEO defense erodes Deductible-Paid Losses/Defense Expenses/Legal Fees will contribute to the deductible.
- Decreased Umbrella Limit from \$10,000,000 to \$5,000,000.

OPTIONAL COVERAGES AVAILABLE

COVERAGE	ADDITIONAL ANNUAL PREMIUM	ACCEPT COVERAGE	DECLINE COVERAGE
TRIA (Terrorism) Premium (Liberty Mutual)	\$7,765	<input type="checkbox"/>	<input type="checkbox"/>
Mine Subsidence	\$2,048	<input type="checkbox"/>	<input type="checkbox"/>
TRIA (Terrorism) Premium (Chubb)	\$676	<input type="checkbox"/>	<input type="checkbox"/>
Deductible Buydown Premium - (Wind/Hail from \$100,000 to \$25,000) (<i>does not include KY Surcharge/Taxes</i>)	\$66,000	<input type="checkbox"/>	<input type="checkbox"/>

POSSIBLE NON-INSURED COVERAGES		
COVERAGE	QUOTE COVERAGE	DECLINE COVERAGE
Flood/Sinkhole	<input type="checkbox"/>	<input type="checkbox"/>
Waste Water Treatment	<input type="checkbox"/>	<input type="checkbox"/>
Mold, Fungus, Yeast, Mildew, Microbe or Bacteria	<input type="checkbox"/>	<input type="checkbox"/>
Computer Fraud	<input type="checkbox"/>	<input type="checkbox"/>
Extortion	<input type="checkbox"/>	<input type="checkbox"/>
ERISA/Fidelity Bond	<input type="checkbox"/>	<input type="checkbox"/>
Forgery or Alterations	<input type="checkbox"/>	<input type="checkbox"/>
Money & Securities	<input type="checkbox"/>	<input type="checkbox"/>
Builders Risk/Installation Floater	<input type="checkbox"/>	<input type="checkbox"/>
Scheduled Tools Coverage	<input type="checkbox"/>	<input type="checkbox"/>
Higher Limits for Leased/Rented Equipment	<input type="checkbox"/>	<input type="checkbox"/>
Fiduciary Liability	<input type="checkbox"/>	<input type="checkbox"/>
Higher Uninsured/Underinsured Motorist Limits	<input type="checkbox"/>	<input type="checkbox"/>
Hired & Non-Owned Liability	<input type="checkbox"/>	<input type="checkbox"/>
Hired Auto Physical Damage	<input type="checkbox"/>	<input type="checkbox"/>
Garage Liability	<input type="checkbox"/>	<input type="checkbox"/>
Garagekeepers Liability	<input type="checkbox"/>	<input type="checkbox"/>

WIND/HAIL DEDUCTIBLE BUYDOWN OPTION							
Premise #	Bldg. #	Building	Total Insured Value	Deductible Buydown Limit	Premium	Accept	Decline
1	1	Central Office	\$34,616,167	\$75,000	\$5,250	<input type="checkbox"/>	<input type="checkbox"/>
1	2	Property in Open					
1	3	Gym					
1	4	Football Press Box					
1	5	Football Fieldhouse					
2	1	Allen Elementary School	\$40,836,420	\$75,000	\$5,250	<input type="checkbox"/>	<input type="checkbox"/>
2	2	Allen Elementary Property in Open					
3	1	Betsy Lane Elementary	\$34,628,186	\$75,000	\$5,250	<input type="checkbox"/>	<input type="checkbox"/>
3	2	Betsy Lane Elementary Prop in Open					
3	3	Gym-Betsy Lane Elementary					
4	1	Betsy Lane High School	\$24,474,760	\$75,000	\$4,500	<input type="checkbox"/>	<input type="checkbox"/>
4	2	Betsy Lane HS Property in Open					
4	3	Concession-Betsy Lane HS					
4	4	Weight Room-Betsy Lane HS					
5	1	J. M. Stumbo Elementary School	\$21,410,242	\$75,000	\$4,500	<input type="checkbox"/>	<input type="checkbox"/>
5	2	J.M. Stumbo Elem Prop in Open					
6	1	James A. Duff Elementary School/ Allen Central Middle School	\$31,863,401	\$75,000	\$4,500	<input type="checkbox"/>	<input type="checkbox"/>
6	2	Duff Elem/Allen Central Prop in Open					
6	3	Duff Metal Building					
7	1	James D. Adams Middle School	\$26,622,704	\$75,000	\$4,500	<input type="checkbox"/>	<input type="checkbox"/>
7	2	James Adams MS Property in Open					
8	1	May Valley Elementary	\$16,923,388	\$75,000	\$3,750	<input type="checkbox"/>	<input type="checkbox"/>
8	2	May Valley Elementary Property in Open					
9	1	Prestonsburg Elementary (new)	\$27,648,118	\$75,000	\$4,500	<input type="checkbox"/>	<input type="checkbox"/>
9	2	Prestonsburg Elementary Property in Open					
10	1	Prestonsburg High School	\$62,628,524	\$75,000	\$6,000	<input type="checkbox"/>	<input type="checkbox"/>
10	2	Prestonsburg High School Property in Open					
10	3	Pressbox-Prestonsburg HS					
10	4	Field House-Prestonsburg HS					

WIND/HAIL DEDUCTIBLE BUYDOWN OPTION							
Premise #	Bldg. #	Building	Total Insured Value	Deductible Buydown Limit	Premium	Accept	Decline
11	1	South Floyd Elementary School	\$36,636,412	\$75,000	\$5,250	<input type="checkbox"/>	<input type="checkbox"/>
11	2	S Floyd MS/HS Property in Open					
11	3	Pressbox-South Floyd MS/HS					
11	4	Field House-South Floyd MS/HS					
12	1	Floyd Technical School - Bldg. 1	\$11,201,255	\$75,000	\$3,750	<input type="checkbox"/>	<input type="checkbox"/>
12	2	Floyd Technical Bldg. 1 Property in Open					
12	3	Floyd Technical School - Bldg. 2					
13	1	Floyd Co. Bus Garage Property in Open	\$37,597	\$75,000	\$0	<input type="checkbox"/>	<input type="checkbox"/>
13	2	Bus Garage					
14	1	Floyd Central High School	\$56,093,004	\$75,000	\$6,000	<input type="checkbox"/>	<input type="checkbox"/>
14	2	Floyd Central HS Fieldhouse Building					
14	3	Floyd Central HS Pressbox-Football Field					
14	4	Floyd Central HS Press Box; Baseball Field Dugouts					
14	5	Floyd Central HS Press Box; Softball Field Dugouts					
15	1	Renaissance Learning Center	\$12,575,315	\$75,000	\$3,000		
Total			\$417,997,465	\$1,125,000	\$66,000		



The information above is an offering of Deductible Buydown Insurance for the locations listed. The District can purchase \$75,000 of coverage which will be payable to the District for Wind/Hail Property Claims. The District has the opportunity to purchase this on all buildings listed above OR you can choose to purchase this coverage for any of the buildings/locations listed. The premiums are listed for each property separately. Individual location premiums do not contain required KY Surcharge or Taxes. If purchased by individual location, the KY Surcharge and Taxes will be included at binding. **This information is offered separately and, if purchased, will be in addition to the coverage offer by Liberty Mutual. We ask that this information be considered as proprietary insurance information and not be shared as public records unless purchased by the District.**

X

Please Print Authorized Signer's Name

X

Please Print Authorized Signer's Title

X

Authorized Signer's Signature

X

Date

CYBER LIABILITY PREMIUM COMPARISON					
2024-25 Cyber Liability – Houston Casualty Company					
Coverage Limits: <ul style="list-style-type: none"> • Multimedia Liability Coverage – up to policy limit • Security and Privacy Liability Coverage – up to policy limit • Privacy Regulatory Defense & Penalties Coverage - up to policy limit <ul style="list-style-type: none"> • Cyber Extortion Coverage - up to policy limit • Breach Event Costs Coverage - up to policy limit • System Failure Coverage - up to policy limit <ul style="list-style-type: none"> • Cyber Crime Coverage - \$250,000 • Client Phishing Fraud Loss Sublimit - \$250,000 					
Policy Limit	2023-24: \$1,000,000	2024-25: \$1,000,000	2024-25: Optional \$2,000,000	2024-25: Optional \$3,000,000	2024-25: Optional \$5,000,000
Cyber Liability Premium	\$21,107.77	\$21,107.77	\$ 26,537.46	\$32,513.15	\$36,575.20
		Accept Coverage <input type="checkbox"/> Decline Coverage <input type="checkbox"/>	Accept Coverage <input type="checkbox"/> Decline Coverage <input type="checkbox"/>	Accept Coverage <input type="checkbox"/> Decline Coverage <input type="checkbox"/>	Accept Coverage <input type="checkbox"/> Decline Coverage <input type="checkbox"/>
<p>This presentation is designed to give you an overview of the insurance coverages we are offering for your company. It is meant only as a general understanding of your insurance needs and should not be construed as a legal interpretation of the insurance policies that will be written for you. Please refer to your specific insurance contracts for details on coverages, conditions, and exclusions.</p>					

X

Please Print Authorized Signer's Name

X

Please Print Authorized Signer's Title

X

Authorized Signer's Signature

X

Date