

DATE:

06/20/2024

AGENDA ITEM (ACTION ITEM):

Consider / Approve the 2024-2025 Property and Casualty Insurance Coverage renewal with Bluegrass Risk Management through the District's current insurance broker, Assured Partners.

APPLICABLE BOARD POLICY:

01.1 Legal Status of the Board; 04.31 Authority to Encumber and Expend Funds; 702 KAR 4:160

HISTORY/BACKGROUND:

KCSD has long partnered with Assured Partners and Crawford Insurance to serve as the District's broker for various insurance policies, including property & casualty insurance. Assured Partners continuously monitors the insurance landscape for policies that provide the District with minimum premiums and maximum coverages. For this reason, Assured Partners has recommended the District renew the 2024-25 property and casualty insurance coverage with Bluegrass Risk Management (BRM) instead of Liberty Mutual. BRM offers a premium savings of \$134,207 in year one (11% savings) plus offers more favorable deductibles in most areas of coverage. Additionally, BRM pays dividends to policy holders when premiums exceed claim payouts. BRM is a pooled insurance program created specifically for Kentucky school districts following an insurance model used by 85% of all U.S. public school districts. The initial 25 districts joining BRM have been personally selected by Assured Partners for their ability to continuously demonstrate low claims history and systemic processes to minimize premium increases. The insurance program will be governed by a board of five (5) members from the participating school districts and will be advised by Assured Partners. This fully insured program will be assessment free in year one. Southwest Ohio school districts have been utilizing this same model for the last five years and during this time have not had any assessments, realized \$1 million in dividends during the 2023-24 fiscal year, and will be doubling the size of their membership from 60 to 120 schools heading into 2024-25. Assured Partners is forecasting similar results for the KY version of this program. The District's Operations and Finance teams have carefully reviewed this plan and fully support Assured Partner's recommendation to select BRM for property and casualty insurance coverage beginning in FY25.

FISCAL/BUDGETARY IMPACT:

\$1,042,243 general fund expenditure for property and casualty insurance covering FY25 (11% premium savings compared to current provider's quote for FY25).

RECOMMENDATION:

Approve the 2024-2025 Property and Casualty Insurance Coverage renewal with Bluegrass Risk Management through the District's current insurance broker, Assured Partners.

CONTACT PERSON:

Matt Rigg, Chief Operations Officer

Principal/Administrator



District Administrator



Superintendent

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Principal – Complete, print, sign and send to your Director. Director – if approved, sign and put in the Superintendent's mailbox