



## Boone County Schools

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**Dr. Jeff Hauswald**  
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*The Boone County  
Board of Education  
provides equal  
employment and  
educational  
opportunities.*

To: Dr. Jeff Hauswald & Boone County School Board  
Re: Risk Advisory Review of Insurance & 2025-2026 Property & Casualty Insurance Recommendation  
From: Eric K. McArtor  
Date: April 15, 2025

Beginning in January 2025, I have worked with Dr. Hauswald and other district-level staff members to review insurance options for 2025-2026. As part of this review, Dr. Hauswald brought to me a suggestion of replicating practices for other recent board matters (e.g. a comprehensive external review of salaries and wages) to better inform our work. Dr. Hauswald insisted that a contracted advisor be found that has no direct connection with many of the local brokers and insurance providers and that the identified contacted advisor provide a non-commissioned and independent perspective of the seemingly complicated and convoluted process and series of information (and misinformation) related to choosing property and casualty insurance for the Boone County School District (BCS).

After a thorough review, the BCS administration identified KFDA (Kevin Frank Donoghue Advisors) as a reliable company to provide valuable assistance with understanding the insurance market and making informed decisions going forward. Per information provided by KFDA ([www.kfda.com](http://www.kfda.com)), "Unlike insurance brokers who recommend only what they sell, KFDA provides an informed and independent perspective in identifying and assessing, mitigating and financing risk."

As part of an initial review with a representative from the KFDA Risk Advisory Group concerning our property and liability insurance, they provided us with initial recommended actions and a timeline for such a review. Their salient points were as follows:

- The timeline to make an optimal decision by June 30, 2025, does not give enough time to fully evaluate the entire program, compare choices, and fully understand the scope of options to assist the school district with making this important decision.
- It is almost never advisable to shop for insurance providers annually as it could impact insurers and brokers willing to participate. It is better to decide based on a comprehensive study with the idea of long-term sustainability and shop for plans less regularly for consistency. (As a reminder, the Boone County school board elected to review plans and shop for insurance one year ago and switched providers for the 2024-2025 school year.)
- Absent insurer financial stability, coverage gaps or significant problems with claims or service issues (none of which have arisen during the 2025-2026 school year), it may be best to stay with the current insurance and provider and to move forward with a consultant service to do a one-year study of Boone County School District's current program, identify other options available, compare various plans, and make a decision as a result of this comprehensive review for property and casualty insurance for the 2026-2027 school year.

**Therefore, it is my recommendation to do the following:**

- 1) Continue with the utilization of Bluegrass Risk Management (BRM) for the period of July 1, 2025-June 30, 2026. A recent conversation with BRM staff indicated estimates for increases in premium costs of 3-4%. However, should premium costs increase by more than 5%, the administration will inform the school board and may bring an alternate plan to the school board.
- 2) Contract with KFDA to provide assistance with understanding the insurance market as it relates to the Boone County School District and with making informed decisions going forward. The hourly combined blended rate will be \$315/hour and does not include expenses related to in-person meetings such as flights, hotel accommodations and meals should such services be requested. The initial contracted services with KFDA will be for up to eighteen months beginning April 18, 2025, with the primary charge being a summary of property and casualty insurance options for the Boone County School Board to consider for the 2026-2027 school year.