



FLOYD COUNTY BOARD OF EDUCATION  
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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 3, 2025**

**AGENDA ITEM:** Consider/Approve the following: Decision on either Option 1 or Option 3 for Workers Compensation Insurance with aggregate excess through Midwest Employers Casualty Company, 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:**

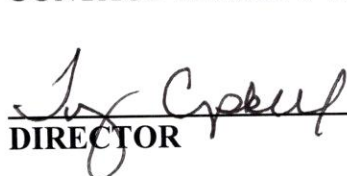
Option 1: Workers Compensation insurance fixed Cost are as follows; Excess Insurance \$163,533, Claims Administration \$26,875, loss control \$15,600, and KY State Taxes/Assessments/Surcharges of \$20,501 for an estimated total of \$226,509. This option is an estimate of \$59,972 less than the previous renewal.

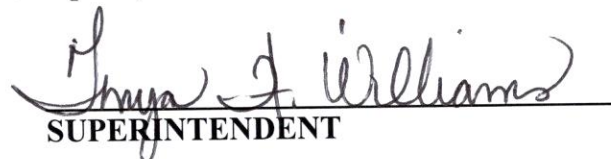
Option 3: Workers Compensation insurance fixed Cost are as follows; Excess Insurance \$168,084, Claims Administration \$26,875, loss control \$15,600, and KY State Taxes/Assessments/Surcharges of \$20,501 for an estimated total of \$231,060. This option is an estimate of \$55,421 less than the previous renewal.

**HISTORY/BACKGROUND:** 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 either Option 1 or Option 3

**CONTACT PERSON:** Tiffany Warrix Campbell, Director of Finance

  
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DIRECTOR

  
\_\_\_\_\_  
SUPERINTENDENT

Comparison for Workers' Compensation - Floyd County Board of Education

| Line of Coverage   | 2024-2025                         | 2025-2026                          |                          |
|--|-----------------------------------|------------------------------------|--------------------------|
| Excess Workers' Compensation and Employers Liability Insurance | Liberty Mutual Insurance (A+, XV) | Midwest Employers Casualty Company |                          |
|  |                                   | Option 1                           | Option 3                 |
| Payroll  | \$40,600,000                      | \$40,700,000                       | \$40,700,000             |
| Policy Term  | 1 Year                            | 1 Year                             | 1 Year                   |
| Excess Workers' Comp   | Statutory                         | Statutory                          | Statutory                |
| Excess Employers Liability                                     | \$1,000,000                       | \$1,000,000                        | \$1,000,000              |
| Insured's Retention Limit                                      | \$350,000                         | \$350,000                          | \$350,000                |
| Loss Only Deductible   |                                   |                                    |                          |
| WC Experience Mod Factor                                       | NA                                | NA                                 | NA                       |
| Premium  | \$224,315                         | \$163,533                          | \$168,084                |
| Aggregate:   |                                   |                                    |                          |
| Aggregate Limit  |                                   |                                    | \$1,000,000              |
| Estimated Aggregate Retention                                  |                                   |                                    | \$2,013,096              |
|  |                                   |                                    |                          |
|  |                                   |                                    |                          |
| Claims Administration  |                                   |                                    |                          |
| ASC/DAVIES TPA Services  | \$26,065                          | \$26,875                           | \$26,875                 |
| Loss Control/Risk Management:                                  |                                   |                                    |                          |
| Risk Management Svcs   | \$15,600                          | \$15,600                           | \$15,600                 |
|  |                                   |                                    |                          |
| Payroll  |                                   |                                    |                          |
| Carrier Buydown limit per claim                                |                                   |                                    |                          |
| Insured's Retention Limit                                      |                                   |                                    |                          |
| Premium for WC Buffer Layer                                    |                                   |                                    |                          |
| Taxes, Assessments & Surcharges                                | \$20,501                          | \$20,501                           | \$20,501                 |
| Total Premium  | \$286,481                         | \$226,509                          | \$231,060                |
|  | Accept Coverage                   | <input type="checkbox"/>           | <input type="checkbox"/> |
|  | Decline Coverage                  | <input type="checkbox"/>           | <input type="checkbox"/> |