



June 11, 2025

Ms. Jessica Annis  
Hardin County Schools  
65 W. A. Jenkins Road  
Elizabethtown, KY 42701

RE: 2025-26 Insurance Renewal Recommendation

Dear Jessica,

I received the Property & Casualty Insurance renewal proposal from Houchens (HIG). I recommend renewing as proposed.

The Liberty Mutual property, liability, auto and umbrella is \$2,148,763 which is a 16% increase. Your workers' compensation renewal from KEMI is an increase of 34% to \$601,277 caused by your claims experience and an increase in your experience modification from 0.86 to 1.22. Your Cyber coverage decreased 25% to \$44,812. Your student health professional liability and flood premiums remained relatively the same at \$4,706 and \$18,502 respectively. Combined this is an annual expense of \$2,818,061. These are within an acceptable range and within terms being offered to other schools through Kentucky.

Convective storms and hail continue to cause significant challenges for us in Kentucky. Liberty Mutual is maintaining your wind/hail deductible at the greater of \$100,000 or 1% per location. This deductible could be \$100,000 at a low value location like the Central Office but as high as \$1,131,000 at Central Hardin. An illustration of the potential deductibles is attached for your review. You and the board should have an awareness to this level of deductible, including the possibility a significant storm could impact multiple locations, requiring multiple deductibles. The aggregation of these deductibles could be significant if this were to occur. As a result, HIG obtained an indication to purchase a separate policy to lower the deductible down to \$100,000 per occurrence, subject to a maximum per occurrence of \$3,500,000. The quote is \$386,250. The board chose not to purchase this policy last year, but I felt it important to obtain a quote and reconsider. I recommend the board consider implementing under these terms. It is a lower premium at a much higher limit than last year. If it is decided not to purchase the policy this year, I recommend setting aside an amount to meet these high deductibles. It is foreseeable that you could need \$1.5 million set aside for this, although it could be even higher.

Your automobile coverage changed and will have a \$5,000 per unit deductible for storm damage to buses, with a maximum limit of \$10 million. As a result of storing multiple buses at the same location, this deductible could be sizable. So, this needs to be kept in mind.

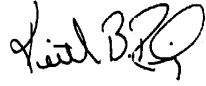
Last year the board decided not to purchase the excess umbrella liability coverage, thereby lowering your limit to \$5 million. I suggest requesting HIG obtain a quote to increase the limit back to the previous limit of \$10 million. This was quoted in July 2024 for \$241,215. I expect the premium this year may be higher. If you obtain this quote, I am happy to review and

*2024-25 Insurance Recommendation  
(continued)*

provide a recommendation to you and the board. I would feel much more comfortable for a school of Hardin County's size to have a limit of \$10 million or higher.

As always, it is a pleasure to serve you and the board. If I may be of further assistance, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Keith B. B." with a stylized flourish at the end.

Licensed Insurance Consultant