

West Lafayette Community School Corporation

1130 North Salisbury Street ▪ West Lafayette, Indiana 47906-2447
(765) 746-1602 • FAX (765) 746-1644 • www.wl.k12.in.us

TO: Dr. Shawn Greiner, Superintendent
Board of School Trustees

FROM: Michelle Cronk, CFO

DATE: December 5, 2022

RE: 2023 Insurance Recommendation

West Lafayette Community Schools has worked with Henriott Group for its insurance needs for several years. Our new representative, Bob Bryan, recently met with the Business Office to discuss the upcoming renewal of liability and workers compensation insurance. Henriott is able to quote out our insurance to multiple providers to find the best coverage at the best rate. Keep in mind that the industry is seeing an increase in rates across the board due to a number of different factors.

Henriott was able to get the school district a respectable 15% increase for liability insurance from last year's rate for a total of \$182,659 with the ASTRA Program under Great American. The increase is mainly due to the large increase in property values statewide as well as an increase in general liability for certain programs. Henriott's flat rate service fee of \$20,000 remains the same in lieu of paying a commission.

The workers' compensation insurance premium is \$50,977 for 2023 which is 26% higher than 2022 mainly due to some employee groups changing classifications in the district's rate. While the rate has increased, it is still lower than the rate charged in 2019 and 2021. West Lafayette Community Schools continues to have a low experience modification rating which is driven by its claims history. As long as the district continues to keep a low rating, premiums should not increase at a high rate. Coverage will remain with the ASTRA Program Accident Fund through Great American.

Cyber liability insurance rates are increasing at high rates across all industries. The current premium with ASTRA for 2022 was \$9,736 for the calendar year and will more than double for 2023. While the cost is increasing, it is necessary to have this coverage in case of any cybersecurity issues or data breaches. Henriott has worked diligently to bring back the best possible coverage for this line of insurance. The least expensive coverage that still meets the needs of the district has been offered by Tokio Marine with a \$20,326 annual premium.

The Business Office recommends approving the liability and workers' compensation quotes through the ASTRA Program for calendar year 2023 as well as the cyber insurance offered through Tokio Marine. All documentation is included in your board packets. Please place this recommendation on the agenda for December 12, 2022. If you have any questions, please don't hesitate to let me know.