

ATTACHMENT NO. IX-I: Property/Liability/Auto/Umbrella Insurance Renewal

Potential motion: Move to approve Prairie State Insurance Cooperative for the district's property/liability/auto/umbrella insurance renewal for the 2011-2012 fiscal year.

Recommended action: Approve the motion

It is recommended that the Board approve the renewal of insurance as provided by the Prairie State Insurance Cooperative. In November 2010, the district agreed to a three-year commitment to the insurance pool. This is the second year in the pool. The premium for last year was pro-rated (\$42,591) as it was from November 15, 2010 to June 30, 2011. On an annual basis, last year's insurance would have been \$61,773. The renewal for 2011-2012 is \$62,579 which is a 1.3% increase.

A copy of the year to year renewal comparison is included for your review along with a graph showing the self-insured program structure.

PRAIRIE STATE INSURANCE COOPERATIVE
2011-2012 PROPERTY & CASUALTY PROGRAM COST COMPARISON

District: North Boone CUSD #200

Fixed Costs	2010-2011 EXPIRING	2011-2012 PROPOSED
Self-Insured Package Premium (includes Property, General Liability, Garage Liability, Auto Liability and Physical Damage, Inland Marine, EDP and Crime)	\$14,560	\$10,623
School Board Legal Liability	\$0	\$0
Excess Property	\$10,152	\$9,758
Boiler & Machinery	\$2,714	\$2,701
Pollution Liability	\$1,036	\$1,098
Excess Liability	\$6,482	\$6,281
Student Accident (Mandatory and Catastrophic)	\$0	\$0
AJ Gallagher Brokerage/Administrative Services	\$4,827	\$4,827
Illinois ARM Service Fee	\$4,827	\$4,827
Claims – Gallagher Bassett Services	\$710	\$655
Loss Control – Gallagher Bassett Services	\$965	\$985
Total Fixed Costs	\$46,273	\$41,755
% of Increase/Decrease		-10%

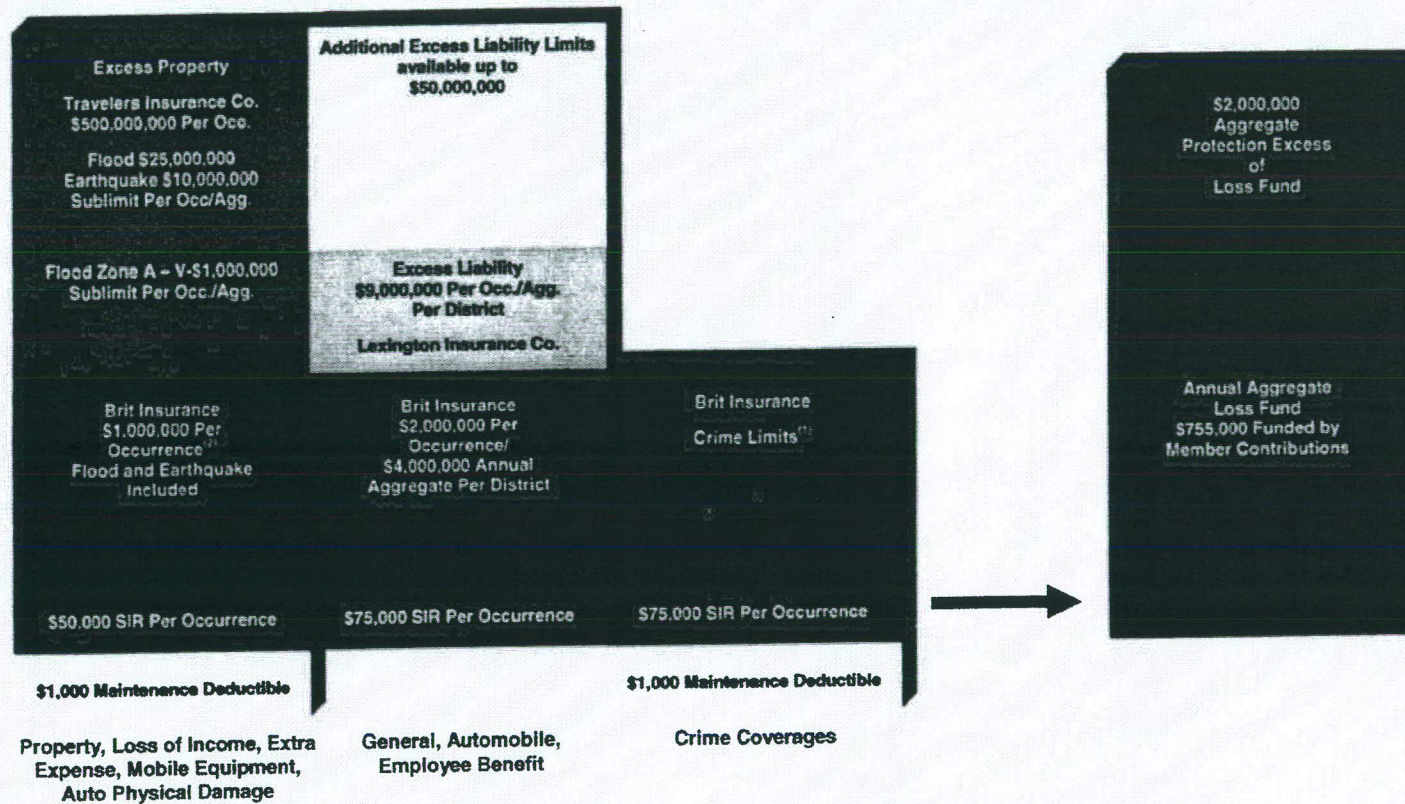
Variable Costs	2010-2011 EXPIRING	2011-2012 PROPOSED
Loss Fund – Package	\$15,500	\$20,824
Total Program Contributions on a Maximum Cost Basis	\$61,773	\$62,579

Total Due for 2011-2012

Statistical Information	2010-2011 EXPIRING	2011-2012 PROPOSED	% Increase/ Decrease
Total Insurable Values (includes Auto Physical Damage)	\$58,345,261	\$60,039,953	3%
Pre-K/Elementary/Junior High Students	1158	1199	4%
High School Students	539	585	9%
Teachers	114	117	3%
Buses	32	33	3%
All Other Licensed Vehicles	5	5	0%

Proposal of Insurance for:

2011-2012 Recommended Secured Self-Insured Program Structure



(1) Employee Dishonesty – \$500,000; Money and Securities In/Out \$500,000; Depositors Forgery – \$500,000 total losses.
 (2) SIR for Flood is \$50,000 per occurrence.



Arthur J. Gallagher Risk Management Services, Inc.