



**Clinton Public Schools | Superintendent Tyler Bridges
Insurance for School Property Interim Study | October 26, 2023**

Clinton PS: Insurance Premiums Over Time



- **Oklahoma Schools Risk Management Trust (OSRMT)**
 - FY18: \$207,768
 - FY19: \$268,488 (+\$60,720)
 - FY20: \$285,356 (+\$16,868)
 - FY21: \$284,912 (-\$444)
 - Total Insured Values: \$102,739,000
- **Oklahoma Schools Insurance Group (OSIG)**
 - FY22: \$395,996 (+\$110,084)
 - Total Insured Values: \$120,611,929
 - FY23: \$482,355 (+\$86,359)
 - Total Insured Values: \$120,717,032
 - FY24: \$573,486 (+\$91,131)
 - Total Insured Values: \$122,378,311

Cont'd: Clinton PS: Insurance Premiums Over Time



- **Claims Process**

- FY21 and FY23 the District had two large claims due to separate wind and water damage occurrences.
- Overall pleased with our experience with the claims process and payouts for our district.

Strategies to Lower Premium Costs



- **Raise Deductibles**

- \$10,000, \$15,000, or \$25,000 property per occurrence
- \$15,000, \$25,000, or \$50,000 wind/hail per occurrence

		Option 1A	Option 2A	Option 3A
Deductible				
		<i>\$10,000 property per occurrence</i>	<i>\$15,000 property per occurrence</i>	<i>\$25,000 property per occurrence</i>
		<i>\$15,000 wind/hail per occurrence</i>	<i>\$25,000 wind/hail per occurrence</i>	<i>\$50,000 wind/hail per occurrence</i>
Breakdown of Coverage				
Property	\$330,280.00	\$451,730.00	\$424,820.00	\$406,886.00
Boiler and Machinery	\$1,709.00	\$2,535.00	\$2,387.00	\$2,280.00
Auto Physical Damage	\$8,188.00	\$10,337.00	\$9,715.00	\$9,305.00
General Liability	\$16,426.00	\$19,140.00	\$19,148.00	\$19,158.00
Auto Liability	\$21,905.00	\$25,526.00	\$25,539.00	\$25,551.00
Educators Legal	\$16,428.00	\$19,141.00	\$19,159.00	\$19,159.00
Excess Liability	\$0.00	\$0.00	\$0.00	\$0.00
Total Annual	\$394,936.00	\$528,409.00	\$500,768.00	\$482,339.00
	Increase of:	\$133,473.00	\$105,832.00	\$87,403.00

Strategies to Lower Premium Costs



- Providing strategically lessened coverage on older or lesser used facilities. For instance, debris removal and liability only.

		Option 1B	Option 2B	Option 3B
		<i>\$10,000 property per occurrence</i>	<i>\$15,000 property per occurrence</i>	<i>\$25,000 property per occurrence</i>
		<i>\$15,000 wind/hail per occurrence</i>	<i>\$25,000 wind/hail per occurrence</i>	<i>\$50,000 wind/hail per occurrence</i>
Property	\$330,280.00	\$590,798.00	\$555,579.00	\$532,067.00
Boiler and Machinery	\$1,709.00	\$3,326.00	\$3,118.00	\$2,988.00
Auto Physical Damage	\$8,188.00	\$10,308.00	\$9,692.00	\$9,289.00
General Liability	\$16,426.00	\$19,110.00	\$19,112.00	\$19,118.00
Auto Liability	\$21,905.00	\$25,475.00	\$25,488.00	\$25,494.00
Educators Legal	\$16,428.00	\$19,111.00	\$19,113.00	\$19,130.00
Excess Liability	\$0.00	\$0.00	\$0.00	\$0.00
Total Annual	\$394,936.00	\$668,128.00	\$632,102.00	\$608,086.00
	Increase of:	\$273,192.00	\$237,166.00	\$213,150.00



Coverage Type Changes Over Time

- Actual Cash Value (ACV) vs. Replacement Cost
- Blanket Coverage vs. Scheduled Coverage (caused many premiums to rise due to the reappraisal of school buildings)

School District Concerns

- Skyrocketing insurance costs are a national trend.
- Lessening coverage due to premium cost that cause difficult decisions that shouldn't have to be made.
- Lack of market competition.

Legislative Options



- Rainy Day Funding to offset rising costs for all schools.
- Examining insurance costs outside of property coverage that could be covered or offset via a state program (Ex. liability coverage, auto coverage, cybercrime, etc.).
- Examine if there are any statutory barriers to insurance carriers outside of Oklahoma that keeps them from conducting business in state.



Clinton Public Schools | Superintendent Tyler Bridges
Tyler.Bridges@cpsreds.org | 580.323.1800