

Bushue Human Resources, Inc.

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*An Outsourced Risk Management Company Focusing on Human Resources,
Insurance, Background Screening and Fingerprinting*

January 16, 2017

Pana CUSD #8
14 E. Main
Pana, IL. 62557
Attention: Dr. David Lett

Dear Dr. Lett:

RE: PROPERTY/CASUALTY/LIABILITY INSURANCE RENEWALS

The attached summary illustrates the expiring and renewal coverages with the current Insurance Carriers, Wright Specialty Insurance (WSI), through Ramza Insurance Group from Streator, IL. and BrickStreet Insurance through Wells Fargo from Minneapolis, MN.

Our attached Renewal Worksheets Forms show the expiring and renewal coverage from WSI and BrickStreet Insurance. The first column of each page is the expiring insurance coverage for the District. The second column is the renewal coverage as presented by the current Insurance Carrier and Agent.

Following are some changes from the expiring:

- The Blanket Limit and Statement of Values (SOV) have been reviewed with administration, and the values have been increased in order to better reflect replacement cost values.
- WSI no longer offers the Auto Deductibles Per Occurrence at a Limit less than \$500, therefore, the Comprehensive Auto Deductible has been increased from \$100 to \$500 and the Collision Deductible Per Occurrence has been increased from \$250 to \$500.
- The Worker's Compensation payrolls have been modified, per the District's request. The 8868 Class Code (Colleges or Schools, Teachers) payroll has been increased from \$5,808,472 to \$5,829,235. The 7380 Class Code (Drivers, Chauffeurs, & Their Helpers) payroll has been increased from \$358,491 to \$379,325. The 9101 Class Code (All Other Employees) payroll has been decreased from \$895,796 to \$872,741.
- The Worker's Compensation rates have been modified for the renewal. The 8868 Class Code (Colleges or Schools, Teachers) rate has been decreased from .46 to .45. The 7380 Class Code (Drivers, Chauffeurs, & Their Helpers) rate has been increased from 10.36 to 10.98. The 9101 Class Code (All Other Employees) rate has been decreased from 5.51 to 5.14.
- The Experience Modification Rating has been increased from a .73 in 2016 to a .75 in 2017. The standard Experience Modification Rating is 1.00.

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This renewal reflects an increase in premium, attributable to the exposure updates and the District's Loss History. The Property Blanket Limit has been increased from \$59,624,730 to \$61,438,473 and the Student Counts have been increased.

The District's Loss Ratio with the Package Insurance Carrier, WSI, since 2012 is 155%. The windstorm claim in April 2016 remains open and at this time WSI has paid over \$500,000 on this claim. Over the past five (5) years, the District has filed twenty (20) Worker's Compensation Claims with BrickStreet Insurance. The Insurance Carrier has paid \$71,865.33 on these claims and currently has set \$59,604.83 in Open Reserves. The current year Loss Ratio is 150%. In addition, the Worker's Compensation Modification Rating for the District will increase next year as well.

The renewal reflects an increase in the amount of \$30,950; which is 18.80% over the expiring. We appreciate the opportunity to serve the District. If you have any questions, please feel free to contact our office.

Respectfully,



Steve Bushue
CEO, Bushue Human Resources, Inc.

VSS