

Date: June 10, 2009  
To: Board of Education  
From: Gary Kawlewski, Director of Business Services  
CC: Steve Dooley, Superintendent  
Subject: Workers Compensation Insurance carrier recommendation

We took proposals for workers compensation insurance for the period of 7.1.09 through 6.30.10. We received 3 solid proposals from reputable insurance carriers and are making the recommendation to award the coverage to EMC through the Liberty Insurance Agency. EMC is our current carrier and we have been pleased with their performance this past year. Our workers compensation claims experience was dramatically better this past year than it has been in the past. The proposal amounts are as follows:

EMC	\$93,677
State Fund Mutual	\$101,071
RTW	\$124,297

Our premiums for the 08-09 year were about \$111,000. We are recommending acceptance of the proposal from EMC for the 09-10 fiscal year.

Some notes about the recommendation:

- 1) You will note that the financial proposal for EMC is about \$17,000 less than the proposal for 08-09.
- 2) We also solicited a proposal from Indiana Hawkeye Insurance but they were unwilling to quote the workers compensation insurance without some kind of guarantee that they would get a fair shot to write the property and casualty insurance package as well. Based on the 3-year price guarantee from our current carrier, we decided this did not make financial sense. We will still contact Indiana when we take proposals for our property and casualty insurance.
- 3) This price is not subject to change with the exception of the final audit of our payroll numbers for the 09-10 fiscal year. This is an industry standard and would be the case in any of the proposals that we would accept.