




# Oak Park Elementary School District 97

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TO: District 97 Board of Education  
Dr. Albert Roberts, Superintendent

FROM: Steve Cummins, Senior Director of Human Resources 

CC: Therese O'Neill, Assistant Superintendent for Finance & Operations

DATE: June 5, 2015

RE: SELF Workers Compensation Insurance Rates – 2015-2016 School Year

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School District 97 participates in the SELF Workers Compensation insurance cooperative. The SELF insurance Cooperative is comprised of 80 member school districts in the Chicagoland area. Individual school district SELF insurance rates are determined based on a combination of the overall pool performance and individual district performance over a three-year experience window.

District 97 has had excellent claims experience in recent years within the three-year window used to determine renewal amounts. As a result of these favorable experience ratings in the past 3 years, the District 97 gross annual contribution rate will decrease 10.5% for the 2015-2016 school year from \$242,891 in 2014-2015 to \$217,301 in 2015-2016. This savings of over \$25,000 is a result of our favorable experience, and follows a year where District 97 experienced a previous significant decrease. The Administrative cost from Gallagher remained unchanged at \$1,500.

In addition to these figures approximately \$82,000 will be contributed to the District's loss fund within the pool. The \$82,000 consists of \$40,000 (typically allocated for loss fund replenishment) and \$42,000 towards replenishment for prior years as a result of additional past claims/expenses incurred (primarily from FY12 and FY13). These numbers combined result in an overall SELF amount of \$301,000 for FY16, which is slightly higher than the \$296,000 approved by the Board last year for FY15.

The excellent experience from the prior three years will factor again in next year's 3-year experience window, which bodes well for the 2016-2017 renewal calculation. It is our hope that as District 97 continues proactively promoting safe working conditions, maintaining a safe working environment, reporting claims promptly, and actively managing claims that we will continue to see favorable experience ratings.

The SELF pool as a whole experienced excellent experience overall as a cooperative. The following are highlights of the rate increases, cost factors, and plan design from the 2015-2016 renewal presentation:

1. The SELF pool had improved claims experience in the past 12-month period as compared to the prior year. This resulted in a \$2,000,000 pool surplus that will be credited back proportionately to the member districts (as a return of contribution/dividend).

2. The steady improvement across the SELF cooperative can be seen, as 57 of the 80 member districts had their contributions decrease from 2014-2015 going into the 2015-2016 renewal. District 97 was among 36 districts whose decrease was over 10%.
3. District 97's experience module rating remains strong within the 80-member school district cooperative presently.
4. SELF marketed the claims administration of the pools workers compensation claims for the upcoming year. YORK risk services has been selected to replace Sedgwick as the third party administrator for claims administration effective July 1, 2015 at a service fee savings of 5% to the SELF cooperative.

This renewal information is being shared to you for review and will be brought again at the June 23, 2015 meeting for approval. Please let me know if you have any questions or comments.