



Oak Park Elementary School District 97

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TO: Dr. Albert G. Roberts, Superintendent of Schools

FROM: Therese M. O'Neill, Asst. Supt. Finance & Operations

SUBJECT: Collective Liability Insurance Cooperative (CLIC) – 2013-14 Renewal

DATE: May 28, 2013

Oak Park District 97 has been a member of CLIC (Collective Liability Insurance Cooperative) since July 1, 1991. This property and liability insurance cooperative was established during the 1983-84 school year with only eight school districts as founding members. Today, the pool now has 172 school districts as members. This property and liability insurance cooperative provides for District's 97's general liability, auto liability and physical damage, boiler and machinery insurance, school board legal liability insurance, study accident, identity theft and pollution liability insurance. Last year's 2012-13 annual premium was \$298,476 and the proposed 2013-14 premium is \$284,806 or a decrease of 4.6% or a reduction in cost of \$13,670 (see attached cost sheet).

This decrease in variable cost is due primarily with the overall pool's experience this past year as well as District 97's actual experience. The fixed cost component has increased and this is primarily due to our increased enrollment. The combination of the variable overall cost decreasing (by \$23,141) and the fixed rate cost increasing (by \$9,471) results in the overall decrease of \$13,670.

We are recommending renewal with CLIC for the 2013-14 school year and this item will return to the Board for approval at its June 11, 2013 meeting.

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Attachment (1)

COLLECTIVE LIABILITY INSURANCE COOPERATIVE

2013-2014 PROPERTY/CASUALTY PROGRAM COST COMPARISON

District: Oak Park School District #97

Fixed Costs	2012-2013 Expiring	2013-2014 Proposed
Package (includes Property, General Liability, Auto Liability & Physical Damage and Crime)	\$16,313	\$17,669
Excess Property \$1,000,000,000	\$28,014	\$28,822
Excess Property \$100,000,000 xs \$1,000,000,000	\$664	\$717
Boiler & Machinery	\$5,106	\$5,280
Excess Liability \$40M xs \$1M (includes new \$5M Layer)	\$11,812	\$13,299
Pollution Liability	\$3,360	\$3,457
School Board Legal Liability	\$6,983	\$8,919
Student Accident - Mandatory	\$22,827	\$27,435
Student Accident – Catastrophic	\$5,371	\$5,900
Cyber Liability	\$4,251	\$3,573
Arthur J. Gallagher Risk Management Services Fee	\$9,892	\$10,140
Gallagher Bassett Services Claims Administration Fee	\$4,729	\$3,580
Gallagher Bassett Services Loss Control Fee	\$1,195	\$1,195
Total Fixed Costs	\$120,515	\$129,986
% of Change		7.86%

Variable Costs	2012-2013 Expiring	2013-2014 Proposed
Loss Fund – Package	\$172,805	\$148,744
Loss Fund – School Board Legal Liability	\$5,156	\$6,075
Total Program Contribution on a Maximum Cost Basis	\$298,476	\$284,806

Total Program Costs Due for July 1, 2013-2014	\$284,806
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Statistical Information	2012-2013 Expiring	2013-2014 Proposed	% Change
Total Insurable Values (Includes Vehicles)	\$224,111,990	\$230,578,823	2.89%
Students	5,371	5,900	9.85%
Vehicles	10	10	0.00%