



# Oak Park Elementary School District 97

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To: Members, Board of Education  
Dr. Ushma Shah, Superintendent

From: Sheila Johnson, Assistant Superintendent of Finance & Operations

RE: 2024-2025 School Employees Loss Fund (SELF) Workers' Compensation Insurance Rates

Date: June 11, 2024

School District 97 participates in the SELF Workers' Compensation Insurance Cooperative. Founded in 1986, the SELF Insurance Cooperative is self-funded, self-governed and comprises 83 member school districts in the Chicagoland area. Rates for individual school districts within the SELF Cooperative are determined based on a combination of the overall pool performance and individual district performance.

With the \$25,000 deductible, our District's total contribution to SELF this year will be \$518,470. Last year, the Large Deductible Option (LDO) invoice was \$332,004. The \$518,470 total includes our District's deductible replenishment of \$241,259 (the amount of deductible incurred by our District over the past year that SELF pays in advance). It does not represent our District's LDO contribution for this year, which is \$281,880.

Excluding the replenishment amount from both years, our District's LDO contribution increased from \$281,647 to \$281,880. Despite the District's increase in experience modification (11%) and payroll (3%), our LDO contribution has been favorable.

It is our hope that District 97 continues to proactively promote safe working conditions, maintaining a safe work environment, reporting claims promptly, and actively managing claims so the District continues to see favorable rates and experience ratings. The administration recommends approval of the 2024-2025 SELF Workers' Compensation Insurance Fund renewal rates as presented.

**SCHOOL EMPLOYEES LOSS FUND  
Workers Compensation Program**

***Member Proposal of Insurance***  
**July 1, 2024 to June 30, 2025**

**Presented to:**

**Oak Park SD #97**

**Dated:**

**May 10, 2024**

**Presented by:**

**SELF**

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### **SELF Executive Summary (2024-2025)**

The SELF workers compensation renewal for 2024-2025 is showing increased but stable loss developments. Loss development is up due to the increase in overall payroll with schools being fully staffed for over 12 months now, following the pandemic.

In preparing for the 7/1/2024-2025 renewal SELF and the Executive Committee rely on several key items including:

- Program Loss Development – the SELF actuary reviews total pool losses from the current and prior years to predict the “ultimate” cost to SELF. Using this ultimate loss calculation the actuary can select or pick the loss rate needed to fund losses for the coming 2024-2025 period. With in-depth analytics on loss performances, SELF then adopts additional loss control solutions and programs to help our members proactively improve in the long run.
- Member Loss Development – the cost of open claims is on the rise due to increasing medical costs. SELF uses a “loss sensitive” approach when calculating individual member contributions. As in previous years, member losses from the most recent three complete years are used to calculate the Individual district “Experience Modification” factor. This E-Mod, as it is called, is unique to each member and is used when member contributions are calculated.
- SELF Fixed Costs – these costs include claims administration (Sedgwick), program administration (RPA/Gallagher), excess insurance premium, loss control (Gallagher Bassett) and various legal and professional fees. For 2024-2025 program fixed cost total \$2,165,468 which is a 3.71% increase from the prior year due to inflation and market.
- Excess Insurance – SELF purchases stop loss protection excess of a \$1,000,000 retention. For 2024-2025 SELF remains with our current insurance provider, Safety National Casualty Corporation for their excess insurance. Safety National provided a very favorable excess insurance premium quotation resulting in a 15% rate reduction back in 2023 with a two year rate guarantee.
- Investment Income – interest rates have helped SELF achieve a reasonable rate of return without taking on additional risk. Investment income helps to lower member annual contribution costs and help initiate value-added programs that greatly improves SELF’s member loss experience in the long-run
- Loss Fund Confidence Levels – with stable investment income and increasing loss development SELF continues to fund future losses at a 60% confidence level in 2024-2025. This results in a total pool loss fund of \$7,522,927.

SELF’s member equity, or surplus, remains very strong with around \$29 million as of February 2024. Member equity is achieved through lower than expected losses in previous years and interest income. Over the years, SELF has returned member equity back to active members in the form of a premium offset. The amount returned will be decided and reflected by the May SELF full membership.

SELF’s commitment and high importance that it places on risk management and other cost reduction programs have contributed to the favorable financial results of the pool. Several of these programs have been in place now for many years and are having a significant impact on minimizing members’ total cost of risk. Programs include:

- Safety Grant Program – this program assists member districts through providing funds to purchasing loss conscious equipment specifically designed to reduce loss leading injuries. The program was first introduced in 2013 and has resulted in placing new safety equipment in schools and effectively improved different areas of losses within SELF.
- Monthly claim roundtable and settlement meeting – this successful program continues to achieve favorable settlement results and IWCC case wins. SELF members are invited to join these meetings to review open claims in their District.
- Early claim reporting – SELF encourages early reporting of claims and continues to enhance and simplify claim reporting and accident investigation with frictionless online reporting portal.
- Educational Resources – education and training continues to be provided by SELF. Districts have access to GCN educational webinars and bi-annual in-person loss control seminars to help inform and educate members on market updates and rising perils. Better protecting our members from a holistic view.

For the 2024-2025 program period SELF remains committed to conserving member assets through risk management and loss reduction activities.



# Large Deductible Option (LDO)

## SCHOOL EMPLOYEES LOSS FUND July 1, 2024 - June 30, 2025

### Oak Park SD #97

<b>Large Deductible Options</b> <small>(higher deductible available on request)</small>	<b>\$25,000 Deductible</b>	<b>\$50,000 Deductible</b>	<b>\$100,000 Deductible</b>	<b>\$250,000 Deductible</b>
SELF Estimated Contribution (Standard Program Cost)	\$429,695			
LDO Calculation Factor	0.656	0.559	0.469	0.360
<b>LDO Contribution</b>	<b>\$281,880</b>	<b>\$240,199</b>	<b>\$201,527</b>	<b>\$154,690</b>
LDO Administrative Cost (Annual)	\$1,500			
District Loss Fund Deposit Line <sup>1</sup>	\$40,000			
Replenishment for current LDO members as of 4/30/2024 <sup>2</sup>	\$201,259			
Total Replenishment up to \$40,000	\$241,259			
Return of Contribution FY 2004-2022	(\$60,852)			
District Payroll Audit from FY 2023	\$54,683			
<b>TOTAL (NET) LDO DEPOSIT</b> <b>(includes fees and adjustments)</b>	<b>\$518,470</b>	<b>\$476,790</b>	<b>\$438,117</b>	<b>\$391,280</b>

**DO NOT PAY FROM THIS LDO QUOTATION – INVOICE WILL FOLLOW**

<b>Deductible Level</b>	<b>Average Estimated District Losses<sup>3</sup></b>
\$25,000	\$146,845
\$50,000	\$191,199
\$100,000	\$232,660
\$250,000	\$282,156

<sup>1</sup> Loss fund deposit line for Deductible use. Loss Fund deposit is subject to change based on losses paid within the deductible period by SELF. See page 2 for further explanation.

<sup>2</sup> Replenishment for prior year losses, repayment to SEL. Participating LDO members only.

<sup>3</sup> Loss estimate projected by the SELF actuary and is based on pool averages. Actual losses will vary by District.

**SELF Large Deductible Option Terms**  
**Oak Park SD #97**

- Member Standard Program Contribution greater than \$65,000
- Selected Deductible is applied towards each and every loss
- \$1,500 Administrative Fee
- The POOL TPA will adjust claims in the deductible and continue until all claims are closed.
  - Each member is required to establish a member loss fund (\$40,000) that will be used to pay losses within the deductible. When member loss fund dollars are reduced to \$10,000 through payment of deductible losses, an invoice will be sent to the member in the amount of \$40,000 to replenish the member loss fund. Funds must be remitted to SELF within 30 days of receipt of the invoice.
  - SELF reserves the right to increase a member's loss fund if deductible payments exceed 35,000 in two consecutive months.
  - Failure to remit funds within 30 days will result in the immediate reversion of the "Large Deductible Plan" to the "Standard Cost Plan" the member would have been covered under had they not chosen the "Deductible Option". The reversion cost will be calculated as follows:

***Guaranteed cost contribution less contribution under the deductible option = reversion charge.***

**Note:** the reversion charge does not include any payments the member may have made for losses within the deductible or the \$1,500 administrative fee.

- When all claims are closed, any member loss fund dollars held by SELF will be returned to the District.
- If a Pool Assessment is required for a specific policy period, those members covered on the Large Deductible Option will be charged their portion of the assessment based the percentage their contribution under the "deductible option" bears to all member contributions. Members covered under the "Deductible Option" are not released from their obligation to pay deductible losses in the event of an assessment.
- A signed SELF-Large Deductible Option Member agreement will be required.
- Agreement ends: 1) when all claims are paid and closed or 2) as proscribed by the terms of the agreement (nonpayment, change in financial status, and default/exit from the Large Deductible Option).

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**I have read the above and agree to the terms and conditions of the Large Deductible Option:**

**Oak Park SD #97** \_\_\_\_\_ **Deductible Selection:** \_\_\_\_\_

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Title:** \_\_\_\_\_





## SCHOOL EMPLOYEES LOSS FUND

July 1, 2024 to June 30, 2025

### Oak Park SD #97

#### Coverage Summary

LIMITS	
Workers Compensation	Statutory
Employers' Liability	
• Bodily Injury by Accident, Each Accident	\$1,000,000
• Bodily Injury by Disease, Policy Limit	\$1,000,000
• Bodily Injury by Disease, Each Employee	\$1,000,000

COVERAGE ENHANCEMENTS
• Broad Form All States Endorsement – U.S.A. and District of Columbia
• Foreign Voluntary Workers Compensation Coverage
• Automatic Waiver of Subrogation – If Required by Written Contract
• Voluntary Compensation Endorsement



**SCHOOL EMPLOYEES LOSS FUND**  
**July 1, 2024 to June 30, 2025**

**Oak Park SD #97**

**Estimated Exposures**

<b>PAYROLL &amp; RATE COMPARISON</b>	<b>07/01/2023 to 6/30/2024</b>	<b>7/01/2024 to 6/30/2025</b>	<b>% Change</b>
8868 Professional Employees Estimated Payroll	\$60,400,000	\$61,500,000	1.8%
8868 Rate Per \$100	\$0.27	\$0.25	-7.4%
9101 School – All Other Employees Estimated Payroll	\$3,700,000	\$3,720,000	0.5%
9101 Rate Per \$100	\$2.89	\$2.56	-11.4%
7380 Commercial Drivers Estimated Payroll	\$0	\$0	N/A
7380 Rate Per \$100	\$7.14	\$6.55	-8.3%
<b>Total Estimated Payroll</b>	<b>\$64,100,000</b>	<b>\$65,220,000</b>	<b>1.7%</b>

<b>MODIFIERS</b>	<b>07/01/2023 to 6/30/2024</b>	<b>7/01/2024 to 6/30/2025</b>	<b>% Change</b>
Experience Modification Factor (E-Mod)	1.13	1.26	11.5%
SELF Pool Modification Factor (P-Mod)	1.15	1.12	-2.6%



**QUOTATION**  
**SCHOOL EMPLOYEES LOSS FUND**

**Oak Park SD #97**

July 1, 2024 to June 30, 2025

CLASSIFICATION	ESTIMATED PAYROLL <sup>1</sup>	RATE/\$100	MANUAL PREMIUM
<b>8868: Professional Employees</b> (This includes all teachers, teachers' aides, administrative personnel, clerical, cafeteria employees, lunchroom/classroom supervisors or monitors)	\$61,500,000	\$0.25	\$153,750
<b>9101: School- All Others</b> (Custodial or maintenance workers)	\$3,720,000	\$2.56	\$95,232
<b>7380: Commercial Drivers</b> (Full-time and part-time bus drivers)	\$0	\$6.55	\$0
<b>Total Manual Premium</b>		<b>\$248,982</b>	

PRICING FACTORS	2023-2024	2024-2025	% Change
Total Payroll	\$64,100,000	\$65,220,000	1.7%
Experience Modification Factor	1.13	1.26	11.5%
Total District Experience-Modified Premium	\$305,111	\$313,717	2.8%
SELF Pool Experience-Modification Factor	1.15	1.12	-2.6%
Total P-Modified Premium	\$350,878	\$351,363	0.1%
<b>Member Percent of Pool for Contribution<sup>2</sup></b>	<b>4.6%</b>	<b>4.4%</b>	<b>-4.2%</b>

	POOL TOTAL	MEMBER CONTRIBUTION
Program Fixed Cost	\$2,180,152	\$96,547
SELF Loss Fund Contribution (60% Funding)	\$7,522,927	\$333,148
<b>TOTAL CONTRIBUTION 2024-2025</b>	<b>\$9,703,079</b>	<b>\$429,695</b>
Return of Contributions – FY 2004-2022		(\$60,852)
District Payroll Audit (Credit/Debit) from 2022-2023		\$54,683
<b>TOTAL Estimated Deposit Contribution with Adjustments for 2024-2025</b>		<b>\$423,526</b>

**DO NOT PAY FROM THIS QUOTATION**

**YOUR 2024-2025 SELF INVOICE WILL FOLLOW WITH PAYMENT INSTRUCTIONS IN EARLY JULY**

<sup>1</sup> Auditable payroll

<sup>2</sup> Member P-mod premium compared to overall program total P-mod premium



**Oak Park 97**  
**Large Deductible Option**  
**Summary and Replenishment**  
**4/30/2024**

**Large Deductible Deposits:**

Date	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	Total
Original Deposit	-	-	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	40,000.00	400,000.00
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32,569.03
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	116,283.75
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19,537.92
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,489.50
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	61,944.00
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	49,778.43
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	46,821.76
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	83,005.19
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40,000.00
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	131,400.00
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	82,651.00
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50,247.00
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,948.00
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45,338.00
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18,306.00
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	121,324.00
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	129,291.00
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32,850.00
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(32,850.00)
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,000.00
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40,000.00
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	131,400.00
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	82,651.00
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50,247.00
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,948.00
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45,338.00
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18,306.00
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	121,324.00
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	129,291.00
Transfer Between Claim Years	-	40,000.00	137,291.00	77,000.00	70,000.00	77,306.00	85,682.00	40,000.00	73,561.41	92,999.05	69,663.00	89,534.18	88,911.07	108,569.95	183,615.64	169,082.25	39,719.03	1,442,934.58

Less Claims Charged to District	(178,515.83)	(89,157.19)	(134,057.42)	(77,038.73)	(74,586.15)	(74,339.31)	(83,187.58)	(33,200.64)	(71,156.14)	(92,997.38)	(63,859.82)	(89,534.18)	(88,911.07)	(104,140.22)	(183,615.64)	\$(166,344.02)	(39,551.85)	(1,644,193.17)
District Loss Fund Position (OVERDRAWN) OR DEPOSIT REMAINING	(178,515.83)	(49,157.19)	3,233.58	(38.73)	(4,586.15)	2,966.69	2,494.42	6,799.36	2,405.27	1.67	5,803.18	-	-	4,429.73	-	2,738.23	167.18	<b>(201,258.59)</b>

Invoice Amount to Replenish Deposit to \$40,000. **\$ 241,258.59**

HISTORY OF CONTRIBUTION (Deductible Selected)	25K	25K	25K	25K	25K	25K	25K	25K	25K	25K	25K	25K	25K	25K	25K	25K	25K	25K
STANDARD VS. LARGE DEDUCTIBLE OPTION	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	Total

STANDARD PROGRAM - CONTRIBUTION	430,653.00	295,234.00	273,333.00	245,010.00	202,482.00	253,837.00	276,843.00	381,612.00	334,824.00	377,747.00	477,821.00	510,796.00	424,543.00	363,028.00	289,256.00	332,598.00	320,212.00	5,769,630.00
LARGE DEDUCTIBLE CONTRIBUTION	281,647.00	195,150.00	177,939.00	157,051.00	131,411.00	162,964.00	178,000.00	245,758.00	217,301.00	242,891.00	308,673.00	324,866.00	264,915.00	226,186.00	173,132.00	219,847.00	204,295.00	3,712,006.00
ADMINISTRATION FEE FOR LDO	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	25,500.00

LOSSES/CLAIMS PAID WITHIN THE DEDUCTIBLE	178,515.83	89,157.19	134,057.42	77,038.73	74,586.15	74,339.31	83,187.58	33,200.64	71,156.14	92,997.38	63,859.82	89,534.18	88,911.07	104,140.22	183,615.64	166,344.02	39,551.85	1,644,193.17
TOTAL DISTRICT COST FOR LDO: B+C+D+E	461,662.83	285,807.19	313,496.42	235,588.73	207,497.15	239,803.31	262,687.58	280,458.64	289,957.14	337,388.38	374,032.82	415,900.18	355,328.07	331,806.22	358,247.64	387,881.02	245,346.85	5,381,889.17

TOTAL SAVINGS (LOSS) TO DISTRICT BETWEEN STANDARD AND LDO PROGRAMS: A-E=	(31,009.83)	9,426.81	(40,163.42)	9,420.27	(5,015.15)	15,033.69	14,155.42	101,153.36	44,866.86	40,358.62	103,788.18	94,895.82	69,216.93	31,221.78	(88,991.64)	(55,092.02)	74,865.15	388,130.83
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