



Subject: Approve Workers' Compensation Renewal
Date: November 12, 2024

The District's Workers' Compensation Insurance is through Illinois Public Risk Fund (IPRF) and is up for renewal on December 1, 2024. The new policy period is from December 1, 2024 to December 1, 2025. The total estimated premium for this renewal will be \$266,447. This premium represents a 39.2% increase from the previous year payrolls. The typical increase seen in the marketplace for a stable client with an average to good loss history is anywhere between 3.0% and 8.0%.

The workers' compensation insurance industry estimates future premiums by reviewing a district's prior 3 years of experience as a basis for possible claims going forward. They benchmark these levels against other entities that have a similar make-up as ours in terms of classification of employees and amount of payroll for the year. In the previous three years our District incurred claim totals in the amount of \$180,031 (21/22), \$325,837 (22/23) and \$214,470 (23/24) which exceeds the levels anticipated for a district of our size. However, despite the recent downward trend, an adjustment to this year's premium is being requested in their quote.

Based on this information, our broker went out to the market and reached out to 4 other insurance companies for additional quotes. The quotes received were either all higher than our incumbent's quote or they declined to provide a quote. Therefore, it is our recommendation to stay with the Illinois Public Risk Fund (IPRF) for the next 12 months. With our broker's help, the District will continue to review the market each year with the anticipation of these high volume years falling outside of the 3-year look back window.

Premium Proposal Results

Company Name	Illinois Public Risk Fund	ICRMT	United Heartland	Hartford	Liberty Mutual
Premium Proposal	\$266,447	\$403,979	\$498,000	Declined	Declined