



UNITED INDEPENDENT SCHOOL DISTRICT AGENDA ACTION ITEM

TOPIC Renewal of District Workers' Compensation Insurance Program

SUBMITTED BY: Robert Chapa ~~_____~~ **OF:** Risk Management

APPROVED FOR TRANSMITTAL TO SCHOOL BOARD: _____

DATE ASSIGNED FOR BOARD CONSIDERATION: June 20, 2012

RECOMMENDATION:

Staff has finalized renewal negotiations with Texas Mutual Insurance (TMIC) and recommends the Board accept the negotiated proposal. (3/5)

RATIONALE:

Based on actual and projected losses as well as reduced payroll projections TMIC is proposing a **-3.71% reduction** in premiums for the 2012-13 school year representing an estimated savings of **\$60,137**. See attached worksheet.

BUDGETARY INFORMATION

Premiums included in the 2011-21 budget.

BOARD POLICY REFERENCE AND COMPLIANCE:



In - Network
Exposure/Rate Comparison
September 1, 2012 - September 1, 2013

	Expiring Payroll	Renewal Payroll	
8810 - Clerical	34,862,368	33,984,472	-3%
8868 - School- Prof.	176,562,720	170,275,525	-4%
9101 - School- All other	38,155,608	34,550,534	-9%
Total Payroll	249,580,696	238,810,531	
Experience Mod	1.21	1.23	1.65%
	Expiring IN-Network	Renewal In-Network	% Change
		Rates	
8810 - Clerical	0.124	0.124	0.00%
8868 - School- Prof.	0.393	0.404	2.80%
9101 - School- All other	2.320	2.393	3.15%
Premium	1,622,329	1,562,192	-3.71%

Down Payment:	\$468,658
Annual Fee:	\$54,000
1st Installment:	\$522,658
&	
3 Installments of	\$346,511