

**Barton Community College
Board of Trustees
Board Meeting
June 22, 2021**

PROPERTY, CASUALTY, WORKERS COMPENSATION, AND OTHER INSURANCE:

The college currently is insured by a number of independent carriers with the two primary carriers being Chubb/Phily. For FY21, Barton switched to these independent carriers due to the large increases in deductibles imposed by Midwest Higher Education Compact (MHEC).

For FY22, we have been provided the renewal numbers from the independent carriers we currently use as well as a new option with a consortium called KERMP (Kansas Educational Risk Management Pool).

The following are the proposals for FY22:

	Current	1-Jul-21	1-Jul-21
	Chubb/Phily/Axis/Cincinnati/ United Heartland	Chubb/Phily/Axis/Cincinnati/ United Heartland	KERMP / United Heartland (Work Comp)
Property			
<i>Deductible</i>	<i>\$1,000,000</i>	<i>\$1,000,000</i>	<i>\$250,000</i>
Work Comp (United Heartland)	\$82,331	\$81,221	\$81,221
Misc additional coverages to include:			
Cyber			
Fiduciary & Crime Liability			
Auto			
General Liability			
Educators Legal Liability			
Professional liability			
TOTAL	\$396,791	\$444,585	\$417,614

What is KERMP (Kansas Educational Risk Management Pool)?

- KERMP is a consortium of KANSAS USD's that have formed a consortium to meet common insurance needs.
- Must be a member of KASB.
- Must be approved to participate by the KERMP Governing Board.
- Initial membership of 2 years is required.
- Once approved to participate, cannot be removed from the consortium.
- All members pay the same prorated fixed costs based on the value of their property.
- For the most part, coverages are much better with KERMP, and deductibles are lower.
- Possibility for dividend returns in future years.
- Risk is spread out among a potential 100 members (all Kansas).
- The consortium is managed by Gallagher (major insurance/benefit Management Company). Gallagher also manages the consortium's for Nebraska, Oklahoma, and Missouri.

KERMP – A Look Back in Time



- **2014:** Gallagher begins talking to school districts in Kansas about forming a group-funded pool for Property/Casualty risks.
- **Spring 2015:** Of 30+ interested districts, KERMP identifies 10 charter members who apply for a Certificate of Authority from the Kansas Insurance Department.
- **June 29th:** Certificate of Authority Granted....
- **July 1st:** Pool Launches and begin providing coverage
- **2016:** Pool Grows to 16 Members
- **2017:** Pool Grows to 20 Members
- **2019:** Pool Grows to 23 Members
- **2020:** KERMP forms a strategic partnership with KASB. Currently at 80 members
- **2021:** 100? Community Colleges? The future is bright!

What does KERMP provide my district?



Pool Benefits: *Different & Better*

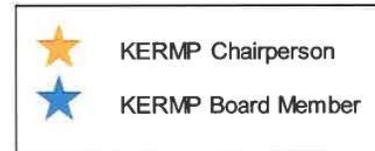
- A known maximum cost program, fully funded
- Broad coverages for each member
- Cost stability and program consistency
- No members will be dropped
- Opportunities for future equity returns/surplus
- Insulation to marketplace changes (*Ex. WSI/Market/EMC*)
- World Class Team:
 - KASB
 - Gallagher Education
 - Local Agent – Assurance, CBIZ, Conrade

KERMP Membership List

As of 1/29/2021



- | | | |
|--|--|--|
| 1. Andover USD 385 | 32. Golden Plains USD 316 | 62. Rose Hill USD 394 |
| 2. Atchison County Community Schools USD 377 | 33. Goodland USD 352 | 63. Salina USD 305 ★ |
| 3. Auburn Washburn USD 437 | 34. Haven USD 312 | 64. Seaman USD 345 |
| 4. Baldwin City USD 348 | 35. Hays USD 489 | 65. SE of Saline USD 306 |
| 5. Basehor-Linwood USD 458 | 36. Haysville USD 261 ★ | 66. Shawnee Heights USD 450 |
| 6. Bluestem USD 205 ★ | 37. Healy USD 468 | 67. Smoky Hill Education Center ★ |
| 7. Bonner Springs/Edwardsville USD 204 | 38. Jefferson West USD 340 | 68. Sedgwick County Area Educational Services Inter-
local Cooperative #618 |
| 8. Brewster USD 314 | 39. Kaw Valley USD 321 | 69. Silver Lake USD 372 |
| 9. Buhler USD 313 | 40. Kinsley Offerle USD 347 | 70. South Central Kansas Education Service Center |
| 10. Burlingame USD 454 | 41. Lawrence USD 497 | 71. Tonganoxie USD 464 |
| 11. Burrton USD 369 | 42. Lewis USD 502 | 72. Topeka USD 501 ★ |
| 12. Cedar Vale | 43. Lyons USD 405 & Rice County
Special Services Co-operative 714 | 73. Troy USD 429 |
| 13. Central Heights USD 288 | 44. Manhattan-Ogden USD 383 | 74. Unified School District No. 265 Sedgwick County
Kansas (Goddard) |
| 14. Centre USD 397 | 45. Marysville USD 364 | 75. Wabaunsee USD 329 |
| 15. Clearwater USD 264 | 46. Marais Des Cygnes Valley USD 456 | 76. Wallace County Schools USD 241 |
| 16. Concordia USD 333 | 47. Mission Valley USD 330 | 77. Wamego USD 320 |
| 17. Deerfield USD 216 | 48. Mulvane USD 263 | 78. Washington USD 108 |
| 18. Derby USD 260 | 49. Newton USD 373 | 79. Wellsville USD 289 |
| 19. Easton USD 449 | 50. North Jackson USD 335 | 80. Weskan USD 242 |
| 20. Elk Valley USD 283 | 51. Osage City USD 420 | |
| 21. Ell Saline USD 307 | 52. Palco USD 269 | |
| 22. Ellsworth-Kanopolis-Geneseo USD 327 | 53. Paradise-Natoma-Walso USD 399 | |
| 23. Emporia USD 253 | 54. Pawnee Heights USD 496 | |
| 24. ESSDACK ★ | 55. Peabody-Burns USD 398 | |
| 25. Eudora USD 491 ★ | 56. Perry USD 343 | |
| 26. Flint Hills USD 492 | 57. Pratt USD 382 | |
| 27. Fort Scott USD 234 | 58. Reno County Education Coop #610 | |
| 28. Fowler USD 225 | 59. Renwick USD 267 | |
| 29. Galena USD 499 | 60. Riverside USD 114 | |
| 30. Garnett USD 365 | 61. Rock Creek USD 323 | |
| 31. Goessel USD 411 | | |



Three brokers are approved providers of the KERMP program. Conrade Insurance Group is our current broker, and coordinates the KERMP program for approximately 75% of the State of Kansas.

Recommendation: The college administration is recommending that the Board approve the KERMP consortium quote and membership in the program for our FY22 insurance requirements.