

Barton Community College

Board of Trustees

Board Study Session

June 11, 2025

PROPERTY, CASUALTY, WORKERS COMPENSATION, AND OTHER INSURANCE:

History - The College has been insured by several independent carriers in over the years starting with EMC, then switching to MHEC, then switching to Chubb/Philadelphia, and finally joining the consortium KERMP. Due to high claims, as well as the condensed footprint of most Community Colleges, insurance companies have moved out of the Community College market. Most carriers are now requiring a percentage of the total property value as a deductible for wind and hail. Typically, these deductibles run from 2-5% of the property values.

What is KICS (Kansas Insurance Cooperative for Schools – previously KERMP)?

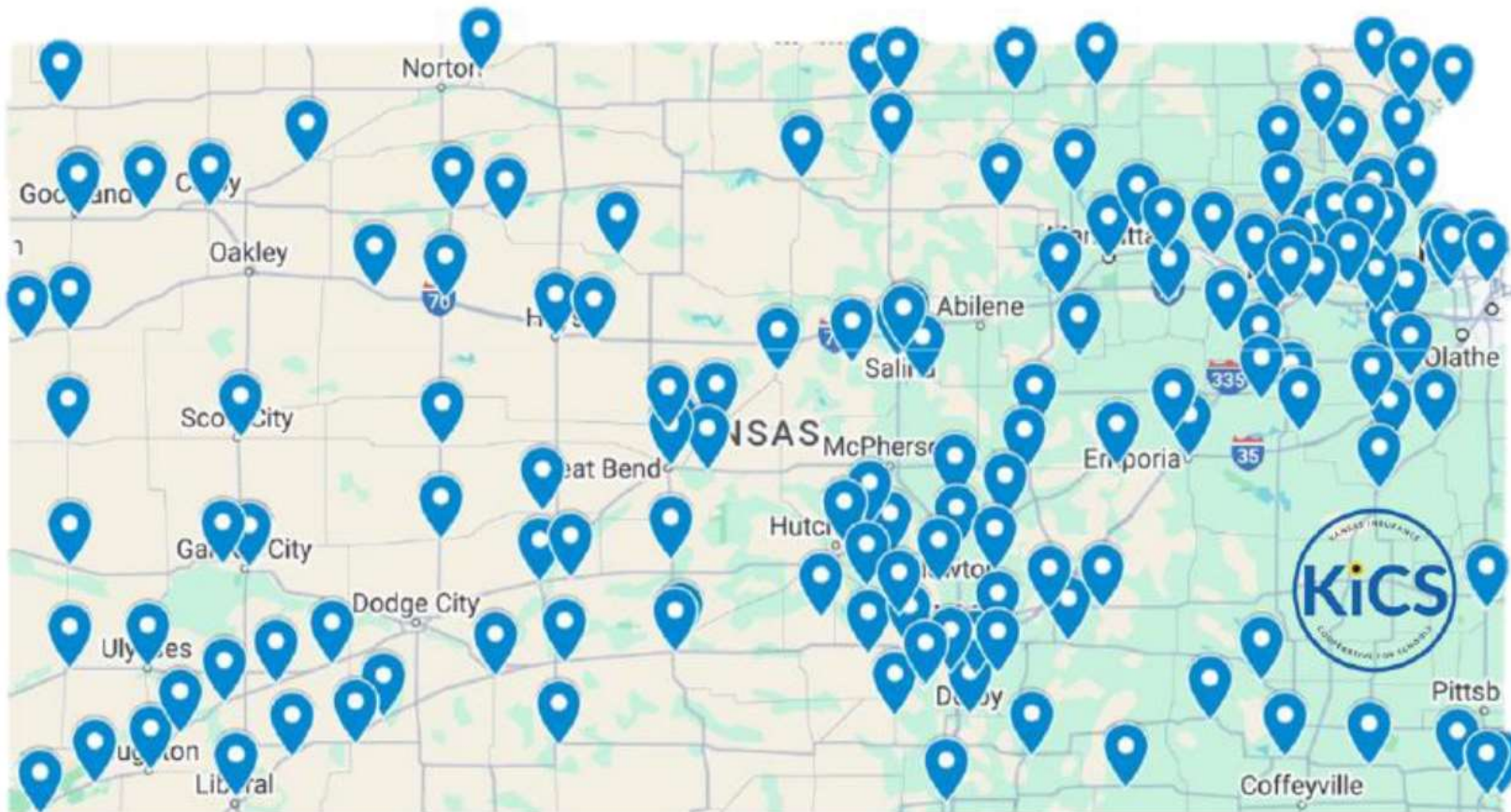
- KICS is a consortium of KANSAS USD's and Colleges that have formed a consortium to meet common insurance needs.
- Must be a member of KASB.

- Must be approved to participate by the KICS Governing Board.
- Initial membership of 3 years is required. We are in year 5.
- Once approved to participate, cannot be removed from the consortium due to claims.
- All members pay the same prorated fixed costs based on the value of their property.
- For the most part, coverages are much better with KICS, and deductibles are much lower.
- Possibility for dividend returns in future years.
- Risk is spread out among a potential 150 members (all Kansas).
- The consortium is managed by Gallagher (major insurance/benefit Management Company). Gallagher also manages the insurance consortiums for Nebraska, Oklahoma, and Missouri.

INCREASED PURCHASING POWER



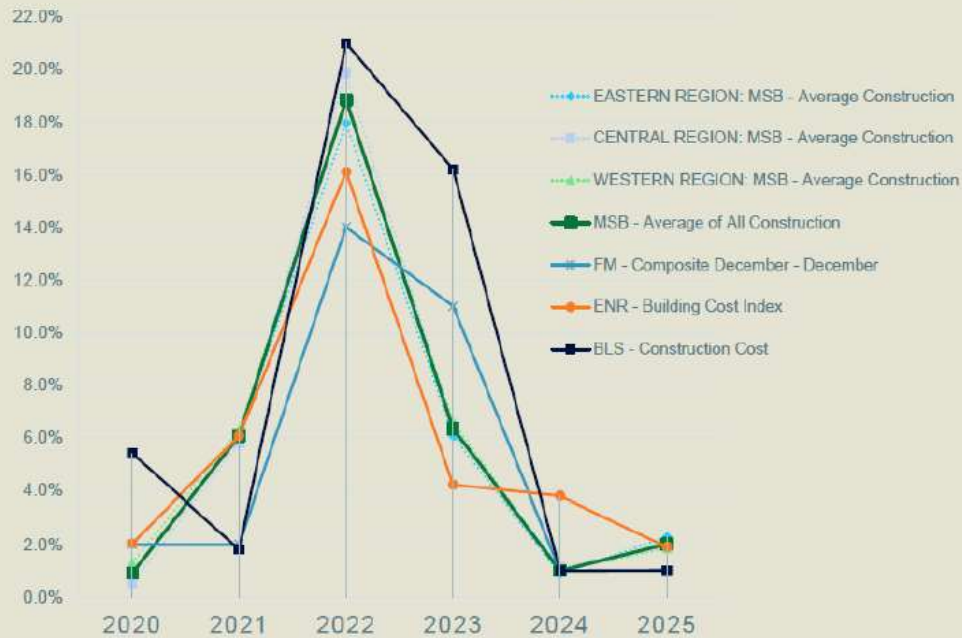
KICS MEMBERSHIP MAP



CONSTRUCTION TRENDS



*Construction Cost Trends
April Yearly*



*2025 Construction
Cost Trends*

**BLS: Construction Cost
1.0%**

**ENR: Building Cost Index
1.9%**

**FM: Composite
December - December
1.0%**

**MSB: Average of all
Construction
2.0%**

By Region

Eastern 2.3% | Central 1.9% | Western 1.9%



PREMIUM & COVERAGE COMPARISON

Barton County Community College

	2024-2025		2025-2026	
	KICS		KICS	
	Limits	Premium	Limits	Premium
	KERMP \$500M Program Limit		KERMP \$500M Program Limit	
Property	Main Campus	\$ 561,395.09	Main Campus	\$ 415,030.62
Building	\$ 166,584,722		\$ 174,048,237	
BPP	\$ 10,017,190		\$ 10,017,190	
Scheduled Equipment	Included		Included	
Business Income/Extra Expense	\$ 18,386,442		\$ 18,386,442	
Deductible - All Other Perils	\$ 50,000		\$ 50,000	
Deductible - Water	\$ 100,000		\$ 100,000	
Deductible - Wind/Hail	\$ 250,000		\$ 250,000	
Total TIV	\$ 194,988,354		\$ 202,451,869	
	KICS		KICS	
Camp Aldrich	Camp Aldrich		Camp Aldrich	
Building	Included		Included	
BPP	Included		Included	
Deductible All Other Peril	Included		Included	
Wind & Hail Deductible	Included		Included	
Dorms	Dorms		Dorms	
Building	Included		Included	
BPP	Included		Included	
Deductible All Other Peril	Included		Included	
Wind & Hail Deductible	Included		Included	

	2024-2025		2025-2026	
	KICS		KICS	
	Limits	Premium	Limits	Premium
	CFC Lloyds Syndicate		CFC Lloyds Syndicate	
Cyber Liability	Cyber Liability	\$ 18,170.96	Cyber Liability	\$ 17,614.37
Cyber Incident Response Costs	\$ 2,000,000		\$ 2,000,000	
Legal and Regulatory Costs	\$ 2,000,000		\$ 2,000,000	
IT Security and Forensic Costs	\$ 2,000,000		\$ 2,000,000	
Crisis Communication Costs	\$ 1,000,000		\$ 1,000,000	
Privacy Breach Management Costs	\$ 2,000,000		\$ 2,000,000	
Income Loss and Extra Expense	\$ 2,000,000		\$ 2,000,000	
Regulatory Fines	\$ 2,000,000		\$ 2,000,000	
PCI Fines, Penalties, and Assessments	\$ 2,000,000		\$ 2,000,000	
Cyber Extortion	\$ 2,000,000		\$ 2,000,000	
Social Engineering	\$ 500,000		\$ 500,000	
Continuity and Prior & Pending Date	Full Prior Acts		Full Prior Acts	
Deductible	\$ 10,000		\$ 10,000	
	KICS		KICS	
Crime Liability	Crime	\$ 762.90	Crime	\$ 3,997.18
Employee Theft	\$ 1,000,000		\$ 1,000,000	
ERISA				
Forgery or Alteration	\$ 1,000,000		\$ 1,000,000	
Theft of Money and Securities-Inside	\$ 1,000,000		\$ 1,000,000	
Theft of Money and Securities-Outside	\$ 1,000,000		\$ 1,000,000	
Computer Fraud	\$ 1,000,000		\$ 1,000,000	
Deductible	\$ 100,000		\$ 100,000	

	2024-2025		2025-2026	
	KICS		KICS	
	Limits	Premium	Limits	Premium
	KICS		KICS	
Auto Package	Auto Liability	\$ 8,272.34	Auto Liability	\$ 66,154.34
Commercial Auto - Combined Single Limit	\$ 2,000,000		\$ 2,000,000	
Hired Car Physical Damage				
Comprehensive and Collision Deductible	\$1,000/\$1,000		\$1,000/\$1,000	
Garage Liability				
Garagekeepers	\$ 100,000		\$ 100,000	
	KICS		KICS	
General Liability	General Liability	\$ 24,843.65	General Liability	\$ 45,068.71
Aggregate	\$ 4,000,000		\$ 4,000,000	
Product & Completed Operation Aggregate	\$ 4,000,000		\$ 4,000,000	
Personal & Advertising Injury	\$ 2,000,000		\$ 2,000,000	
General Liability - Occurrence	\$ 2,000,000		\$ 2,000,000	
Fire Damage Liability	\$ 1,000,000		\$ 1,000,000	
Medical Payments (Excluding Students)	\$ 5,000		\$ 5,000	
Employee Benefits - Occurrence	\$ 2,000,000		\$ 2,000,000	
Employee Benefits - Aggregate	\$ 4,000,000		\$ 4,000,000	
Retro Date	Full Prior Acts		Full Prior Acts	
Deductible	\$ 1,000		\$ 1,000	
Sexual Misconduct Occ/Agg	\$ 4,000,000		\$ 4,000,000	
Sexual Misconduct Occurrence	\$ 2,000,000		\$ 2,000,000	
Law Enforcement Liability	\$ 2,000,000		\$ 2,000,000	
Deductible	\$ 2,500		\$ 2,500	
Educators Legal Liability/EPLI		\$ 4,170.56		\$ 29,079.99
Board Liability & Professional Educators Liability	\$ 2,000,000		\$ 2,000,000	
Retro Date	Full Prior Acts		Full Prior Acts	
Deductible	\$ 50,000		\$ 50,000	
Fiduciary Liability	Included		Included	
Continuity and Prior & Pending Date	Full Prior Acts		Full Prior Acts	
Nurses Professional Liability				
Aggregate	Included		Included	
Occurrence	Included		Included	
Crisis Management Expense - Each Event		\$ 6,137.77		\$ 5,883.36
Pollution Liability				
Aggregate	\$ 5,000,000	\$ 4,848.21	\$ 5,000,000	\$ 4,997.56
Deductible Coverage A, B, C Each Incident	\$ 50,000		\$ 50,000	
Excess	\$3M x \$2M	included	\$3M x \$2M	included
Occurrence	\$ 3,000,000		\$ 3,000,000	
Aggregate	\$ 3,000,000		\$ 3,000,000	

	2024-2025		2025-2026	
	KICS		KICS	
	Limits	Premium	Limits	Premium
Total KICS Package		\$ 628,601.48		\$ 587,826.13
Fine Arts	Gallagher / XL Specialty		Gallagher / XL Specialty	
Limit of Insurance - Per Occurrence	\$ 1,000,000	\$ 2,500	\$ 1,000,000	\$ 2,500
Art Reference Library	\$ 1,000,000		\$ 1,000,000	
Transit	\$ 250,000		\$ 250,000	
Valuation	Agreed Value		Agreed Value	
Deductible	\$ 2,500		\$ 2,500	
Total Fine Arts		\$ 2,500		\$ 2,500
	United Heartland		United Heartland	
Workers Compensation (MultiState):		\$ 70,581		\$ 72,880
Employer Liability	\$1Mil / \$1Mil / \$1Mil	\$1Mil / \$1Mil / \$1Mil		
Code 8868	On File		On File	
Deductible - Per Claim	\$ 500		\$ 500	
Stop Gap- WA				
Experience Modification	0.66		0.65	
Total WC		\$ 70,581		\$ 72,880
Total		\$ 701,682		\$ 663,206

Three brokers are approved providers of the KICS program. Conrade Insurance Group is our broker and coordinates the KICS program for approximately 75% of the State of Kansas. The State is divided up into territories and brokers are assigned to those territories.

Barton's decrease for FY26 amounts to approximately 5.4% decrease over the previous year. All independent carriers are increasing Wind/Hail deductibles to a percentage (2-5%) of the property value. For Barton, we have a property & contents value of \$202,451,869. At a 2% Wind/Hail deductible, our deductible would be around \$4 million.

There are very few insurance companies that will even bid on Community Colleges. This is due to the concentration of property in one location, the high risk of storm damage in Kansas, and past claims for Kansas Educational institutions. For those carriers that are still in the Community College market, they typically limit total property value coverages to \$100 million.

For comparison, the 25/26 insurance quote includes:

- A 6.4% decrease in the total KICS coverage rate.
- A 3.35% increase in United Heartland's Work Comp rate.
- An overall decrease of 5.4% in the total insurance package.