



UNITED INDEPENDENT SCHOOL DISTRICT AGENDA ACTION ITEM

TOPIC Renewal of District Workers' Compensation Insurance Program

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

APPROVED FOR TRANSMITTAL TO SCHOOL BOARD: _____

DATE ASSIGNED FOR BOARD CONSIDERATION: May 18, 2011

RECOMMENDATION:

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

RATIONALE:

Last year the Board awarded the district Workers' Compensation Insurance contract to Texas Mutual Insurance (TMIC). This proposal was for 5 – 1 (one) year contracts with the first year at a fixed rate and subsequent years to be negotiated and dependent on loss run experience.

The proposed rate last year was -20.22 % below the 2010-2011 rates. Based on actual and projected losses as well as reduced payroll TMIC is proposing an additional -3.00% **reduction** in premiums for the 2011-12 school year. See attached worksheet.

BUDGETARY INFORMATION

Premiums included in the 2011-21 budget.

BOARD POLICY REFERENCE AND COMPLIANCE:



**United Independent School District
Laredo TX**

**In - Network Workers Compensation Insurance
Exposure/Rate Comparison
September 1, 2011 - September 1, 2012**

	2010-11	2011-12	
	Expiring Payroll	Renewal Payroll	% Change
8810 - Clerical	35,205,155	34,862,368	-0.97%
8868 - School- Prof.	189,037,859	176,562,720	-6.60%
9101 - School- All other	35,098,688	38,155,608	8.71%
Total Payroll	259,341,702	249,580,696	
Experience Mod	0.96	1.21	26.04%
	Expiring In-Network Rates	Renewal In-Network Rates	% Change
8810 - Clerical	0.125	0.124	-0.80%
8868 - School- Prof.	0.372	0.393	5.65%
9101 - School- All other	2.635	2.320	-11.95%
Premium & Fees	1,672,504	1,622,329	-3.00%