

TELL CITY-TROY TOWNSHIP SCHOOL CORPORATION

**WORK SESSION
OF THE
BOARD OF SCHOOL TRUSTEES**

**TUESDAY JUNE 4, 2019
TELL CITY HIGH SCHOOL MEDIA CENTER
900 12TH STREET
TELL CITY, INDIANA 47586**

6:30 P.M.

Pledge of Allegiance/Moment of Silence:

Call to Order:

Roll Call: Gregg Jarboe X Rick May X Tony Thomas X Larry Goffinett Linda Mattingly X

1)	Presentation From German American Bank and ESCRFT
	<p>ESCRFT presented first stating the biggest advantage of the trust is the third party administrators, and the group has the option to benchmark other administrators and can request RFP's if we are not satisfied with the service. This also gives more power to the school when dealing with insurance adjusters. The group is the decision maker for solicitation of bids. Mr. Thomas asks how many school have been lost in the last 6 years, and for the reasons. The ESCRFT representative detailed the reasons for withdrawal from the trust, however there was no commonality in the reasons and ESCRFT has gained over 50 members in the past 5 years. Mr. Jarboe asks why schools are choosing ESCRFT, and the response is marketing and how customers are treated. Since the risk is shared, the state has required the group fund 100% of the actuary's projected loss. Anything from that fund not spent on claims becomes profit to the trust, and the membership controls what happens with the equity (refunds, lower premiums, dividends, ect). Mr. May asks about the annual premium and it's renewal. It is explained that the ESCRFT board introduced a formula to account for those who have losses vs those that do not. New members is exempt from the formula for three years (but there is a three year commitment to enroll in the program). Surety bonds are not part of the program but are available, they are usually done with local banks. Being a part of the trust also insulates a corporation against big increases if there is a big loss. The \$500,000,000 cap was discussed, and it was recently increased from \$350,000,000 due to the influx of membership in the trust. This was based on a recent actuarial study (summary was provided). This group has say in their direction, added coverages (cyber and pollution for mold) with higher limits and lower deductibles for a comparable cost.</p>

German American Bank presented EMC (Eric representing EMC/IPEP also in attendance). GAB offers to answer any questions starting off, and is asked to introduce us EMC as we are not familiar with the provider. Currently we have IPEP for workers comp, and EMC is based in Iowa with a market similar to Liberty here in Indiana. They have substantial experience with municipalities, and have recently entered in to the school market with a product very similar to Indiana products. Pricing was shared with Liberty in an attempt to keep the business, and Liberty could not match EMC so the broker was recommended to replace them. Mrs. Chinn points out there was money saved in the past by moving our workers comp from Liberty to IPEP. She stated there were some changes made to the proposal, including increasing their 4,000,000 umbrella to 9,000,000 as she felt it was important to us maintaining their premium under ESCRFT's premium. Tort liability and limits for governmental entities were discussed. It was stated that the quote of 71 million (blg/contents) and how it is tied to the bond issue (building corporation/business interruption). Money can be saved by reducing the coverage on the outstanding debt. All inland marine is on top of building limits, with approx. 76,000,000 total coverage, arguing that ESCRFT would not provide the same coverage. GAB in researching ESCRFT stated concerns with a 3 year contract and the limits being shared versus Tell City limits. GAB admitted that they have not taken any ESCRFT accounts that were outside of the three year initial time. GAB states also that schools only go to ESCRFT when they don't have any other affordable options. GAB states that they are here and local service matters. The discussion drifted to the insurance market and some of the changes in the market that they have noticed.

Adjournment:

1. Motion to Adjourn: Adjourned 7:41 PM

In accordance with the Americans with Disabilities Act, if anyone wishes to attend, hear or present evidence at the public meeting on the above referenced matter(s), and is in need of reasonable accommodation, please contact the Office of the Superintendent of the Tell City-Troy Township School Corporation, so that accommodations can be made. The Superintendent may be contacted by mailing to Tell City-Troy Township School Corporation, 837 17th., Tell City, IN 47586, or by telephoning (812) 547-3300.

This meeting is a meeting of the School Board in public for the purpose of conducting the business of the Tell City-Troy Township School Corporation and is not to be considered a public community meeting. There will be time for public participation as indicated by agenda item "Communications from the Public."