

**Berkeley USD**  
**Liability \$25K and Property \$25K**

	FY19-20	FY20-21	Change	% Change	Comments
	Billed Premium	Billed Premium			
Property	\$ 341,958	\$ 408,662	\$ 66,704	19.51%	Increase premium is due to property values increased by 2.0% and property rate increased by 17.2%
General Liability	\$ 375,790	\$ 272,647	\$ (14,727)	-3.92%	Decrease in premium is due to combination of increase in combined general liability rate by 5.0%, decrease in exmod by (5.0%), and increase of ADA by 0.3%.
Childhood Sexual Assault (CSA)	\$ -	\$ 88,416			
Auto Liab - Bus	\$ 25,335	\$ 29,003	\$ 3,668	14.48%	Increase in premium is due to combination of increase in rate by 5.0%, decrease of exmod by (5.0)% and increase of bus count by 14.8%.
Auto Liab - Others	\$ 23,927	\$ 23,858	\$ (69)	-0.29%	Slight decrease in premium is due to combination of increase in rate by 5.0%, and decrease of exmod by (5.0)%.
Physical Damage -Bus	\$ 5,913	\$ 7,471	\$ 1,558	26.35%	Increase in premium is due to increase in rate by 10% and bus count by 14.8%.
Physical Damage -NonBus	\$ 2,415	\$ 2,652	\$ 237	9.81%	Increase in premium is due to increase in rate.
Crime	\$ 3,571	\$ 3,582	\$ 11	0.31%	
Booster /Auxiliary Groups	\$ 2,480	\$ 2,728	\$ 248	10.00%	
SELF	\$ 96,351	\$ 165,049	\$ 68,698	71.30%	Increase in premium is due to increase in SELF rate by 71.1% and SELF ADA by 0.1%.
<b>TOTAL without ASCIP B &amp; SELF</b>	<b>\$ 778,909</b>	<b>\$ 836,291</b>	<b>\$ 57,382</b>	<b>7.37%</b>	
<b>TOTAL</b>	<b>\$ 877,740</b>	<b>\$ 1,004,068</b>	<b>\$ 126,328</b>	<b>14.39%</b>	

## BERKELEY UNIFIED SCHOOL DISTRICT

**TO:** Brent Stephens, Ed.D. Superintendent  
**FROM:** Pauline Follansbee, Assistant Superintendent Business Services  
**DATE:** September 16, 2020

**SUBJECT:** Ratification of District Insurance Premiums and Broker Fees for FY 2020-2021

### BACKGROUND INFORMATION.

#### Alliance of Schools for Cooperative Insurance Programs (ASCIP)

The District entered into an agreement with ASCIP in the year 2002 to provide general liability and property insurance coverage for the District.

For the Fiscal Year 2020-21, the premium is \$1,004,068 which is an increase of \$126,328. over the previous year.

For the Fiscal Year 2019-2020, the premium is \$877,740 which is an increase of \$84,383 over the prior year.

By comparison for Fiscal Year 2018-2019, the insurance premium for ASCIP was \$793,357.

The premium increase is a result of an increased property valuation and the excess liability rating.

The insurance market has been increasing cost due to extreme property losses (continuous years of CA wildfires) and recent legislation (namely AB 218 for Childhood Sexual Assault). This is resulting in larger losses and exposure for reinsurers, which is charging more for the coverage.

Historically ASCIP has maintained very stable rates in their Property & Liability program and they were able to keep our increases to a lower rate, when other insurers had significantly greater increases, some even as much as 100% in P/L.

The Worker's Compensation rates have continually seen decreases in the recent years and we have been returning equity to our members, based on how well we have performed.

Here is some more explanation for the attached comparison: (see attached)

- The property increase is largely due to the rate increase as a result of the increase in losses to reinsurers, which can be attributed to broader external losses as well as increased losses within the pool.
- Liability actually decreased due to your experience modification (Ex Mod), so this is great news.

- CSA (Childhood Sexual Assault) is now its own separate line of coverage on a claim made basis which will help to have better cost prediction of future losses and is largely attributable to AB 218 and increase in verdicts.
- Auto Liability for Buses and Others actually had a decrease in ex mod, but an overall increase due to increased count.

SELF is your excess carrier and this increase is largely due to CSA claims

Staff is satisfied with the services provided by ASCIP and is requesting approval to continue their contract through June 30, 2021 at this rate.

**POLICY/CODE:**

Labor Code Sections 3700 to 3705

**FISCAL IMPACT:**

\$1,004,068 is within the General Fund Budget

**STAFF RECOMMENDATION:**

Approval of Ratification of payment for insurance premiums and broker cost for Fiscal Year 2020-21