



**Port Jervis**  
SCHOOL DISTRICT

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**To:** Tom Bongiovi  
Board of Education

**From:** Lorelei Case *LC*

**Date:** June 24, 2014

**Subject:** Workers' Compensation Excess Insurance

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As in year's past, Marshall and Sterling has quoted the district's Workers' Compensation Excess Cost Insurance (see attached). The excess cost insurance premiums have increased nationally over last year's premium. The increase is directly tied to the maximum weekly wage payment. Over the past five years, the payment base has increased from \$400 to \$803.21.

The 2014-15 increase to our district is approximately 24%, from \$32,449 to \$40,256.

I recommend the Workers' Compensation Excess Insurance be awarded to Midwest.

# Port Jervis City School District

## Excess Workers' Compensation Insurance Quotes

	2006-07 Policy	2007-08	2008-09	2009-10	2010-11	2011-12	2013-14
<b>Carrier:</b>	<b>Praetorian</b>	<b>Safety National</b>	<b>Safety National</b>	<b>Great American</b>	<b>Great American</b>	<b>Star Ins Co.</b>	<b>Star Ins Co</b>
Payroll	\$26,951,434	\$23,085,296	\$24,008,707	\$29,780,662	\$29,600,000	\$28,988,754	\$30,728,453
WC Limit	Statutory	Statutory	Statutory	Statutory	Statutory	Statutory	Statutory
EL Limit	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	1,000,000
SIR	\$350,000	\$400,000	\$400,000	\$450,000	\$450,000	\$450,000	\$500,000
Rate/\$100	0.1497	0.0875	0.1030	0.0941	0.0945	0.0960	0.1056
Cash Flow	No Cash Flow	\$200,000/year	\$200,000/year	\$125,000/year	\$125,000/year	\$125,000/year	\$175,000/year
<b>Premium</b>	<b>\$ 40,346</b>	<b>\$ 20,200</b>	<b>\$ 24,729</b>	<b>\$ 28,024</b>	<b>\$ 27,972</b>	<b>\$ 27,829</b>	<b>\$ 32,449</b>

### 2014-15

<b>Carrier:</b>	<b>State National</b>	<b>Safety National</b>	<b>Midwest</b>
Payroll	\$28,449,288	\$28,449,288	\$28,449,288
WC Limit	Statutory	Statutory	Statutory
EL Limit	1,000,000	1,000,000	1,000,002
SIR	\$600,000	\$750,000	\$500,000
Rate/\$100	0.167	0.2204	0.1415
Cash Flow	\$175,000/year	\$175,000/year	
<b>Premium</b>	<b>\$ 47,510</b>	<b>\$ 62,702</b>	<b>\$ 40,256</b>

**Note #1:** All the above quotes were quote at 0% commission as per the consulting agreement. Based on the lowest quote that creates a savings to the district of \$6,038 at the \$40,256 premium level and \$6,866 at the \$45,775 premium level.