



ma & lee  
*Since 1909*  
insurance

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We're here for you today, we'll be there for you tomorrow

# Do Something Different

Meadors, Adams & Lee is an independent insurance agency located in downtown Little Rock. Since our founding in 1909, our mission has been to protect the assets of our clients. Our job is to access the insurance marketplace to tirelessly negotiate and provide solutions that are designed to minimize risk, lower cost and maximize protection.



# Oversight and Practices



Transparency



Communication



Collaboration

# Current Initiatives



APSIT

ASBA

Self-  
Procurement

# Historical View of APSIT



Provided great coverage and service for 15 years

Has not raised rates on schools in the previous 12 years

Increased claims and insured values have stressed the program

Market conditions dictate a strategy change

# What has Worked



Works well with  
school districts

Proactive  
involvement in  
procurement of  
insurance coverage

Actuarial, Appraisal,  
and Risk  
Management  
services

Claims Management

# What is not Working



Too low of an  
SIR

No state  
funding

One-Size-Fits-  
All

Lack of  
competition in  
procurement

# Hamburg School District

BASIC COVERAGES	\$ Values/Limits	\$ RETENTION PER OCCURENCE	RATE	PREMIUM
<b>Buildings</b>	\$84,472,264.15	\$10,000	0.00255840	<b>\$216,113.85</b>
<b>Personal Property</b>	\$17,205,159.58	\$10,000	0.00255840	<b>\$44,017.68</b>
<b>Total Buildings and PP</b>	<b>\$101,677,423.73</b>			<b>\$260,131.53</b>
<b>Boiler and Machinery</b>	Included	\$10,000	Included	Included
<b>Flood</b>	Annual Aggregate - \$100,000,000 Except: Special Flood Hazard Area (Zone A Locations) - No Coverage.	\$10,000	Included	Included
<b>Earth Movement</b>	Annual Aggregate - \$100,000,000 Except; \$50,000,000 For New Madrid Zone Counties.	EZ 2 - \$100,000 EZ 3 - \$25,000 EZ 4/5 - \$5,000	Included	Included
<b>Money Coverage</b>	\$50,000 Per Occurrence.	\$0.00	Included	Included
<b>Mobile Equipment</b>	Included	\$1,000	Included	<b>\$0.00</b>
<b>TOTAL</b>	<b>101,677,423.73</b>	<b>ANNUAL PREMIUM</b>		<b>\$260,131.53</b>

# Springdale School District

BASIC COVERAGES	\$ Values/Limits	\$ RETENTION PER OCCURENCE	RATE	PREMIUM
<b>Buildings</b>	\$947,840,446.86	\$25,000	0.00200400	<b>\$1,899,472.22</b>
<b>Personal Property</b>	\$207,178,895.33	\$25,000	0.00200400	<b>\$415,186.50</b>
<b>Total Buildings and PP</b>	<b>\$1,155,019,342.19</b>			<b>\$2,314,658.72</b>
<b>Boiler and Machinery</b>	Included	\$10,000	Included	Included
<b>Flood</b>	Annual Aggregate - \$100,000,000 Except: Special Flood Hazard Area (Zone A Locations) - No Coverage.	\$10,000	Included	Included
<b>Earth Movement</b>	Annual Aggregate - \$100,000,000 Except; \$50,000,000 For New Madrid Zone Counties.	EZ 2 - \$100,000 EZ 3 - \$25,000 EZ 4/5 - \$5,000	Included	Included
<b>Money Coverage</b>	\$50,000 Per Occurrence.	\$0.00	Included	Included
<b>Mobile Equipment</b>	Included	\$1,000	Included	<b>\$0.00</b>
<b>TOTAL</b>	<b>1,155,019,342.19</b>	<b>ANNUAL PREMIUM</b>		<b>\$2,314,658.72</b>



# Proposed Solutions



State funding of SIR

Grouping of similar-size districts during procurement process

Easing participation and access requirements

Allow districts to take competitive bids in excess of the state-funded SIR

**STATE OF ARKANSAS PARTICIPATING PUBLIC SCHOOL DISTRICT ENTITIES**

Combined ANNUAL LOSS EXPERIENCE

Policy Year	Property Trust Fund Retention				Insurance					Total Incurred
	Paid	Reserved	Expense	Total	Paid	Reserved	Total	Premium	Insurance Loss Ratio	
12008-2009	\$1,088,778.00	\$0.00	\$52,344.00	\$1,141,122.00	\$1,380,828.00	\$0.00	\$1,380,828.00	\$2,035,095.24	68%	\$2,521,950.00
22009-2010	\$1,080,663.00	\$0.00	\$54,455.00	\$1,135,118.00	\$2,455,201.00	\$0.00	\$2,455,201.00	\$2,268,305.16	108%	\$3,590,319.00
32010-2011	\$1,674,751.00	\$0.00	\$67,784.00	\$1,742,535.00	\$1,729,361.00	\$0.00	\$1,729,361.00	\$2,535,419.94	68%	\$3,471,896.00
42011-2012	\$1,507,208.00	\$0.00	\$84,902.00	\$1,592,110.00	\$52,979.00	\$0.00	\$52,979.00	\$3,445,561.36	2%	\$1,645,089.00
52012-2013	\$1,062,354.31	\$0.00	\$82,416.47	\$1,144,770.78	\$0.00	\$0.00	\$0.00	\$2,978,998.40	0%	\$1,144,770.78
62013-2014	\$2,391,924.74	\$0.00	\$114,844.33	\$2,506,769.07	\$0.00	\$0.00	\$0.00	\$2,985,384.92	0%	\$2,506,769.07
72014-2015	\$2,500,000.00	\$0.00	\$113,546.34	\$2,613,546.34	\$3,228,182.42	\$0.00	\$3,228,182.42	\$2,769,354.96	117%	\$5,841,728.76
82015-2016	\$1,258,243.29	\$0.00	\$88,630.90	\$1,346,874.19	\$0.00	\$0.00	\$0.00	\$2,445,504.45	0%	\$1,346,874.19
92016-2017	\$2,830,605.52	\$0.00	\$119,466.30	\$2,950,071.82	\$0.00	\$0.00	\$0.00	\$2,568,233.90	0%	\$2,950,071.82
102017-2018	\$3,000,000.00	\$0.00	\$104,761.95	\$3,104,761.95	\$1,946,669.99	\$0.00	\$1,946,669.99	\$2,389,025.92	81%	\$5,051,431.94
112018-2019	\$1,688,950.96	\$0.00	\$122,649.55	\$1,811,600.51	\$0.00	\$0.00	\$0.00	\$2,507,104.56	0%	\$1,811,600.51
122019-2020	\$1,633,961.13	\$1,366,961.13	\$95,136.88	\$3,096,059.14	\$0.00	\$11,672,951.49	\$11,672,951.49	\$3,720,206.81	314%	\$14,769,010.63
132020-2021	\$2,665,924.27	\$257,174.58	\$139,913.11	\$3,063,011.96	\$0.00	\$0.00	\$0.00	\$4,411,800.56	0%	\$3,063,011.96
142021-2022	\$3,236,262.93	\$181,475.09	\$31,036.20	\$3,448,774.22	\$12,419,109.66	\$20,506,432.33	\$32,925,541.99	\$5,306,354.92	620%	\$36,374,316.21
152022-2023	\$939,012.08	\$2,571,000.00	\$54,480.26	\$3,564,492.34	\$0.00	\$0.00	\$0.00	\$7,018,763.06	0%	\$3,564,492.34
<b>Totals</b>	\$28,558,639.23	\$4,376,610.80	\$1,326,367.29	\$34,261,617.32	\$23,212,331.07	\$32,179,383.82	\$55,391,714.89	\$49,385,114.16	112%	\$89,653,332.21

OVERALL PROGRAM LOSS HISTORY RECAP*	
<b>Loss Ratio from 2008-Present</b>	
15 Yr Premium	\$49,385,114.16
15 Yr Losses	\$89,653,332.21
<b>15 Yr Loss Ratio</b>	<b>182%</b>
<b>Loss Ratio from 2013-Present</b>	
10 Yr Premium	\$36,121,734.06
10 Yr Losses	\$77,279,307.43
<b>10 Yr Loss Ratio</b>	<b>214%</b>
<b>Loss Ratio from 2018-Present</b>	
5 Yr Premium	\$22,964,229.91
5 Yr Losses	\$59,582,431.65
<b>5 Yr Loss Ratio</b>	<b>259%</b>

CARRIER LOSS HISTORY RECAP	
<b>Loss Ratio from 2008-Present</b>	
Company 15 Yr Premium	\$48,621,909.27
Company 15 Yr Losses	\$55,391,714.89
<b>Company 15 Yr Loss Ratio</b>	<b>114%</b>
<b>Loss Ratio from 2013-Present</b>	
Company 10 Yr Premium	\$35,358,529.17
Company 10 Yr Losses	\$49,773,345.89
<b>Company 10 Yr Loss Ratio</b>	<b>141%</b>
<b>Loss Ratio from 2018-Present</b>	
Company 5 Yr Premium	\$22,201,025.02
Company 5 Yr Losses	\$44,598,493.48
<b>Company 5 Yr Loss Ratio</b>	<b>201%</b>

\*Includes amounts paid by the Fund and paid by the insurance carrier

# Loss Data

Policy Year	Premium	Insurance Loss Ratio	Total Incurred
2008-2009	\$2,035,095.24	68%	\$ 2,521,950.00
2009-2010	\$2,268,305.16	108%	\$ 3,590,319.00
2010-2011	\$2,535,419.94	68%	\$ 3,471,896.00
2011-2012	\$3,445,561.36	2%	\$ 1,645,089.00
2012-2013	\$2,978,998.40	0%	\$ 1,144,770.78
2013-2014	\$2,985,384.92	0%	\$ 2,506,769.07
2014-2015	\$2,769,354.96	117%	\$ 5,841,728.76
2015-2016	\$2,445,504.45	0%	\$ 1,346,874.19
2016-2017	\$2,568,233.90	0%	\$ 2,950,071.82
2017-2018	\$2,389,025.92	81%	\$ 5,051,431.94
2018-2019	\$2,507,104.56	0%	\$ 1,811,600.51
2019-2020	\$3,720,206.81	314%	\$ 14,769,010.63
2020-2021	\$4,411,800.56	0%	\$ 3,063,011.96
2021-2022	\$5,306,354.92	620%	\$ 36,374,316.21
2022-2023	\$7,018,763.06	0%	\$ 3,564,492.34

**\$10 Million SIR**

	State Funded	Carryover	Loss	SIR Loss	Insured Loss	Year-End Surplus
2018-2019	\$ 5,000,000	-	\$1,811,600.51	\$1,811,600.51	-	\$ 3,188,399.49
2019-2020	\$ 5,000,000	\$ 3,188,399.49	\$14,769,010.63	\$8,188,399.49	\$6,580,611.14	\$ -
2020-2021	\$ 5,000,000	-	\$3,063,011.96	\$3,063,011.96	-	\$ 1,936,988.04
2021-2022	\$ 5,000,000	\$ 1,936,988.04	\$36,374,316.21	\$6,936,988.04	\$29,437,328.17	\$ -
2022-2023	\$ 5,000,000	-	\$3,564,492.34	\$3,564,492.34	-	\$ 1,435,507.66

**\$10 Million SIR**

	State Funded	Carryover	Loss	SIR Loss	Insured Loss	Year-End Surplus
2018-2019	\$ 7,500,000	-	\$1,811,600.51	\$1,811,600.51	-	\$ 5,688,399.49
2019-2020	\$ 7,500,000	\$ 5,688,399.49	\$14,769,010.63	\$10,000,000.00	\$4,769,010.63	\$ 3,188,399.49
2020-2021	\$ 7,500,000	\$ 3,188,399.49	\$3,063,011.96	\$3,063,011.96	-	\$ 7,625,387.53
2021-2022	\$ 7,500,000	\$ 7,625,387.53	\$36,374,316.21	\$10,000,000.00	\$26,374,316.21	\$ 5,125,387.53
2022-2023	\$ 7,500,000	-	\$3,564,492.34			\$ 3,935,507.66

**\$10 Million SIR**

	State Funded	Carryover	Loss	SIR Loss	Insured Loss	Year-End Surplus
2018-2019	\$ 10,000,000	-	\$1,811,600.51	\$1,811,600.51	-	\$ 8,188,399.49
2019-2020	\$ 10,000,000	\$ 8,188,399.49	\$14,769,010.63	\$10,000,000.00	\$4,769,010.63	\$ 8,188,399.49
2020-2021	\$ 10,000,000	\$ 8,188,399.49	\$3,063,011.96	\$3,063,011.96	-	\$ 15,125,387.53
2021-2022	\$ 10,000,000	\$ 15,125,387.53	\$36,374,316.21	\$10,000,000.00	\$26,374,316.21	\$ 15,125,387.53
2022-2023	\$ 10,000,000	\$ 15,125,387.53	\$3,564,492.34	\$3,564,492.34	-	\$ 21,560,895.19

\*Insured Loss column represents additional cost to districts