

Arkansas School Boards Association Property Program

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ASBA Property Program

- ▶ Established February 1, 1984
- ▶ 177 Members - 170 public school districts, 2 open enrollment charter schools, 5 education cooperatives
- ▶ Total Insured Value - \$16,036,657,876
- ▶ Loss Limit - \$700,000,000 distributed over 11 layers, utilizing 35 carriers
- ▶ Coverage - Broad Manuscript Form - Blanket Replacement Coverage, includes Earthquake and Flood
- ▶ ASBA Self-Insured Retention/Deductible - \$1,250,000, \$3,000,000 Aggregate
- ▶ ASBA Wind/Hail Deductible - 2% per building, \$1,000,000 minimum, \$5,000,000 maximum
- ▶ School District Deductible Options - \$5,000 - \$250,000

Program Management

- ▶ Districts are on a three-year rotation whereby a physical visit is conducted to verify underwriting factors along with property additions and deletions.
- ▶ New districts added have an on-site visit within thirty days of being added to program.
- ▶ Property values are adjusted annually for inflation.
- ▶ Quarterly Reports are provided to the insurance carriers with valuation changes.
- ▶ Prior to renewal, the Statement of Values is sent to the district for review
- ▶ District premium covers insurance cost, overhead expenses and deductible/retention loss fund.

Program Management

- ▶ Three ASBA Staff and One Independent Adjuster
 - ▶ Maintain Statement of Values (adding property, deleting property, adjusting values)
 - ▶ Handle claims
 - ▶ Issue claim payments
 - ▶ Underwrite each district and determine rates
 - ▶ Bill and collect premium
 - ▶ Submit reports to broker/carrier

Loss Experience

Policy Year	Property Total Incurred				Insurance Recoverable				
	Paid	Reserved	Expense	Total	Paid	Reserved	Total	Premium	Insurance Loss Ratio
2018-2019	\$4,457,749.09	\$0.00	0.00	\$4,457,749.09	\$1,156,748.99	\$0.00	\$1,156,748.99	\$6,603,199.00	18%
2019-2020	\$4,361,491.45	\$0.00	\$0.00	\$4,361,491.45	\$983,254.98	\$0.00	\$983,254.98	\$7,143,883.00	14%
2020-2021	\$10,450,347.19	\$12,154.11	\$0.00	\$10,462,501.30	\$3,846,693.22	\$1,814,899.19	\$5,661,592.41	\$8,515,380.00	66%
2021-2022	\$8,317,609.07	\$12,492,000.85	\$0.00	\$20,809,609.92	\$2,555,178.73	\$11,773,312.98	\$14,328,491.71	\$11,491,502.00	125%
2022-2023	\$48,975,810.77	\$97,392,524.73	\$0.00	\$146,368,335.50	\$40,949,828.19	\$94,483,002.16	\$135,432,830.35	\$13,189,070.00	1027%
Totals	\$76,563,007.57	\$109,896,679.69	\$0.00	\$186,459,687.26	\$49,491,704.11	\$108,071,214.33	\$157,562,918.44	\$46,943,034.00	336%

ASBA Rate History

Policy Year	Insurance Rate	Rate % Change
2018-2019	0.06627	
2019-2020	0.06641	
2020-2021	0.07320	10.2% Increase
2021-2022	0.08230	12.4% Increase
2022-2023	0.09262	12.5% Increase
2023-2024	0.1843	99% Increase