



May 22, 2024

Dear CharterSAFE member,

It is our pleasure to present your membership proposal for the 2024-2025 policy year. This is a particularly special year as CharterSAFE is celebrating its 20<sup>th</sup> anniversary. CharterSAFE would like to thank all its members for their partnership; together we have championed making charter schools safe and protected. Since our inception in 2004, we have grown from 63 members to 276, representing approximately 800 locations, \$1.2 billion in payroll, \$1.6 billion in property, and 173,000 students. As a member owned non-profit organization specializing in providing insurance coverage for charter schools, our goal is to partner with you, our member, to ensure your school is safe and sustainable.

The insurance market remains challenging as we enter the 2024-2025 policy year. Insurance carriers are offering less coverage at higher prices, and we are continuing to see carriers leaving the state of California. Being a member of CharterSAFE, a Joint Powers Authority (JPA), proves even more rewarding as we exercise our collective size to negotiate favorable terms. CharterSAFE's team diligently evaluates all coverage programs each year, so you are protected when bad things happen. We negotiate with both domestic and international insurance carrier partners to provide members with the best possible pricing and coverage terms.

CharterSAFE has successfully kept many of our rates stable and even achieved a small reduction in property rates. At the same time, we are pleased to announce an increase in Property limits to \$100M this year and continue to provide our members with \$55M in limits for childhood sexual assault (CSA). Additionally, through CharterSAFE's insurance captive, CharterSAFE National, we will continue with the Employment Practices Liability (EPL) program we restructured last year, offering our members more input in the claim process.

While we have many successes to tout, the hard insurance market has shown coverages for CSA and EPL are continuing to rise in cost with more exclusions, lower limits, and increased deductibles. However, CharterSAFE has not been idle. We have prepared for these hard markets by developing more insurance relationships and using our own captive insurance company to help protect against these risks and ensure your continued financial security.

Our weighted average rate increase is approximately 9%, which aligns with current market trends.

- Workers' Compensation                    5%
- Liability Package                            9.04%
- Property                                        -4%
- **All Programs Combined                9%**

*(Percentages are combined weighted averages)*

The above rates are an average for the entire JPA; each member is rated individually.

**Your Action Items:**

1. Please review the attached **Executive Report** to learn more about CharterSAFE, our financial stability, the current insurance market, loss and safety trends for charter schools, and our services.
2. Review your **Member Contribution Proposal** (attached) thoroughly for accuracy, to ensure the number of students, employees, payroll, vehicle schedule, property schedule, and other data. Make changes by emailing your primary member service representative, and they can assist you with updating your charter school's exposures to get a revised proposal. You have until **June 15, 2024**, to make any necessary changes.

If you provided provisional withdrawal, your final decision on membership is due to CharterSAFE by *June 15, 2024*.

3. **Login to the CharterSAFE member [portal](#)** and complete the **Proposal Acceptance** by signing the member contribution acknowledgment, thereby confirming your acceptance of the proposal and continuation of membership with CharterSAFE for your school's insurance and risk management needs.
4. Refer to the enclosed **Changes to the 2024-2025 Memorandum of Coverage (MOC)** for a high-level summary of coverage changes.

As a valued member of CharterSAFE, you benefit from a range of no-cost resources to help mitigate your school's risk. These include expert human resources consulting, claim support and advocacy, risk management assistance, contract review, site inspections, comprehensive online training, and dedicated support from our service team. Please continue to take advantage of these resources; **the safer our schools are, the lower the claims and insurance costs**. We are here to answer any questions you may have regarding your renewal. Thank you for your membership and continued partnership.

We look forward to serving you in the 2024-2025 year.

**The CharterSAFE Team**