MESSAGE FROM THE BOARD CHAIRMAN

DR. BERNARD DU BRAY
SUPERINTENDENT OF SCHOOLS
FORT ZUMWALT SCHOOL DISTRICT

Dear MUSIC Member,

This newsletter is coming to you at the time of the year when we all begin worrying about weather conditions and whether the school day can be held in spite of difficult conditions. This has always been a stressful time of the year and it is pretty obvious that we can’t please everyone with our decisions. In my own district we are more cautious than ever because of the large numbers of students who must wait and board their school buses in snowy weather and also because of the large number of students who use their own vehicles to drive to school. It doesn’t take much frozen moisture to be on the roads before school is called. And, very often, most school districts communicate and take the same action in unison. I wish for all of us to have another mild winter, but I know we are due for some serious weather one of these years.

The MUSIC board held its October meeting on the 12th at Lake of the Ozarks, MO. We had a good meeting and had several positive reports from the MUSIC staff. The Board also welcomed its newest member, Dr. Kyle Dare from Puxico School District to his first meeting. Dr. Dare replaces Blane Keel, who has retired from the Oran R-III School District and therefore relinquished his position.

The budget continues to look good and, for the most part, we are tracking better than the original projections for most lines of coverage. However, we are hearing from the MUSIC staff that our excess carrier rates will be higher than what we have experienced recently. This is due to the hurricanes that hit the Texas coast and Central Florida. We will definitely have to be creative in soliciting these coverages for the next year’s budget.

An important change to the MUSIC coverage will be a pollution insurance policy. Executive Director Mark Stockwell has done research and he, along with the staff, have developed a program that could assist the members with pollution concerns. This would include mold and its remediation. Up until 2018, each member had up to $25,000 annually that could be used for testing, sampling and remediation, but that was the limit of the coverage. The new insurance will assist our members after a deductible is paid. You will hear more about this new coverage at the general meeting, to be held Jan. 25-26.

Finally, I will report that the Board has re-employed Mark Stockwell as Executive Director for 2018. The Board is extremely pleased with his performance for the past two years and is excited to have him continue in this role. I hope you all have a wonderful holiday season and that your winter break is safe and productive for you and your families.

MESSAGE FROM THE EXECUTIVE DIRECTOR

MR. MARK STOCKWELL
EXECUTIVE DIRECTOR
MUSIC

The 2017 plan year is winding down and I’d like to use this article to provide a general overview of the year’s activities and results.

Finances are stable and membership remains strong. The overall program is currently trending better than originally projected and we’re cautiously optimistic that we’ll end 2017 with a $2 to $3 million operating surplus.

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The recent increase of catastrophic storms is now starting to impact the overall property insurance market. Hail and windstorms have hit the market with billions in losses this year causing the soft insurance market to harden for 2018. The good news is that MUSIC is only minimally impacted by the overall insurance market and, in spite of a difficult property claims year, MUSIC remains strong and is prepared for a great 2018.

Thank you to everyone for supporting MUSIC’s loss prevention and control programs throughout the year. Your efforts continue to strengthen the program by controlling costs and keeping your students and staff safe.

MUSIC began 2017 with 480 members which was an all-time high for the program. Thus far, we have lost one member and we have added one for 2018. We currently have nine members seeking bids for 2018 and one non-member school district that has requested a quote for the 2018 plan year.

The 2018 member rates remain at current year levels but the membership credit reduction from 10% to 7% increased average member assessments by 3%.

I’d also like to remind everyone about the Jack Holley/MUSIC Scholarship Program. Each year we present six $2,000 scholarships to graduates from member districts. The scholarship program is named in honor of the original MUSIC executive director, Dr. Jack Holley. The scholarships are funded through the MUSIC/MOASBO Golf Tournament and corporate donations. The 2018 applications have been emailed to all members and are also available on the MUSIC website. Please share this information with your principals and counselors. The submission deadline is February 16, 2018.

As I mentioned at the beginning of this article...MUSIC remains strong and an outstanding risk management option for Missouri public schools. It has also been another extremely positive and rewarding year for me personally. Thank you for the opportunity to continue working with you all in support of this great organization!

I look forward to seeing everyone at the annual conference in January and have a great holiday season.

**QUESTIONNAIRE CHANGES**

**PEGGY WILSON**
**CLIENT SERVICES SUPERVISOR**
**ARTHUR J. GALLAGHER**

Just when you thought you were finished with filling out questionnaires, we ask you to fill out two more! What were we thinking?! With change comes headaches, frustration and the unknowing. Not too many of us like change, but in the end, we understand that some changes are for the better, or at least we sure hope they are for the better.

Did you know that there are 480 MUSIC Members? Isn’t that incredible?! Each member has their own data that we collect each year and share with the carriers that write the excess insurance for MUSIC. In this ever-evolving world of technology, comes another way to run a report, or another way to learn more about our members and their needs from the data we provide. Our need was to be able to capture that information and be proactive on how we can help our members utilize the resources available through the MUSIC program, whether it is by assisting with your workers’ compensation or identifying those that contract their busses. With our website and database (ADMIN PORTAL) change this year, we know that some really liked it and some not so much. Please bear with us and in time, you will become more familiar with the new website and ADMIN PORTAL, trust me, it is new for us as well.

Now that you have provided the data that we requested, we would like a little bit more. In the past, the MUSIC staff entered your Renewal Summary Sheets manually in the old database. This took time and also created increased the opportunity for human error. We now have the Cyber and Umbrella Questionnaire which allows you to provide the same information, but online. This should take less than a minute to answer.

There are also benefits to you, the member, with the new ADMIN PORTAL. You are able to view the exposures that you provide to us. You can now run a spreadsheet of your Statement of Values, payroll and vehicle count. We will have more detailed information on this coming to you in 2018.

The last item that we will need from you before December 31st is the Pollution Questionnaire. This is a little bit more in depth than the Cyber and Umbrella Questionnaire, however it is for coverage that MUSIC is including in your membership which most schools do not have with their insurance carriers. Even though MUSIC is providing this coverage, the underwriters writing it still need the information requested in this questionnaire. For you to have this
coverage effective December 31, 2017, WE MUST HAVE THIS QUESTIONNAIRE RETURNED TO US BY THIS DATE. If we do not have your information in by the 31st, your coverage will not go into effect until the Pollution Questionnaire has been completed and Marked as Complete.

Please feel free to contact the MUSIC staff for any questions, assistance or suggestions that you may have.

“Those who cannot change their minds cannot change anything.”
— George Bernard Shaw

NEW POLLUTION COVERAGE

SCOTT WIGHTMAN
AREA EXECUTIVE VICE PRESIDENT
ARTHUR J. GALLAGHER

We are very pleased to announce that the MUSIC Board has added Pollution coverage to the Plan Document for 2018. This will cover exposures such as mold, radon, contaminated drinking water, PCBs, Legionella, storage tanks, carbon monoxide, indoor air quality, etc. The limit is $1,000,000 per incident with a shared annual limit of $25,000,000 for all of MUSIC.

MUSIC has been providing limited coverage the last several years, but with an annual cap per member of $25,000. This cap will stay in place and then the new coverage will kick in with a $50,000 deductible.

The new Pollution coverage is being added at no cost to the member, but the underwriter needs some information from each of you to make the coverage effective at your district or college.

Please go to the ADMIN PORTAL > Questionnaires, to find the Pollution Questionnaire. Your coverage will become effective on December 31, 2017 if your questionnaire is completed before then. If completed after this date, your coverage becomes effective at time of completion.

WHEN YOUR FACILITIES ARE IN USE

PEGGY WILSON
CLIENT SERVICES SUPERVISOR
ARTHUR J. GALLAGHER

MUSIC members are frequently approached by various groups to use the members’ facilities. These requests can range from using one room for a meeting, to sports events in the gymnasium, to social events such as reunions or chili suppers in the cafeteria. The groups and uses can vary widely from member to member. Each of these requests can create potential liabilities for the MUSIC member so we have developed several methods to assist in eliminating or transferring the risk. The following are methods of assessing and dealing with the risks associated with having the public use your facilities. Here are the four we have selected:

1. Facility Use Request Form - This is a form to be completed by each group wanting to use your facilities. When completed, you will have an understanding of the group and the event, and can use this to determine the best way to protect the entity against potential legal suits. (Note: There is a "SAMPLE" form, followed by a blank form. You can fill in the key blocks on the blank form in advance and then copy it for use as needed.)
   Link for Facility Use Form

2. Certificates of Insurance - Once you have approved the use of your facility by an organization you need to determine if they have insurance. If they do, you will need to obtain a Certificate of Insurance that confirms their coverage. You should also request to be named as an Additional Insured to their general liability policy. This should be shown on the certificate and an endorsement to the policy should also be provided to you.

3. Special Events Coverage – If the facility user does not currently have insurance, they can purchase it through MUSIC’s online program TULIP for those events that will be held on member’s premises only. By providing the required information, and selecting the type of event that is eligible from the dropdown, you will be provided an online quote that you can choose to purchase and pay for online. The policy provides $1,000,000 liability coverage for the short term needed. If you would like other options, please let the MUSIC Staff know and we will assist in the different resources available within the insurance industry. Please email us at musicprogram@ajg.com with any questions you may have on this coverage. (Note: This coverage is only for spectators at an event; it does not cover participants or performers of the event.)

4. Hold Harmless Agreements – In addition to proof of insurance or the purchase of a special events policy, the facility user should sign a Hold Harmless Agreement. If the Facility Use Request Form is used, then there is already a hold harmless agreement included. However, if that form is not used Here are three sample agreements developed by one of the law firms MUSIC uses. NOTE: Hold Harmless Agreements may also be
called Indemnity Clauses and are required in addition to insurance in construction or service contracts. The enclosed agreements are not intended to be used for construction or service contracts. Those should be crafted by your school attorney.

These are ways to protect both the member and MUSIC, as a pool. It is up to each member how they choose to protect themselves from outside risks. All must follow your Board Policy Service to determine which has already been selected for you, but these are MUSIC’s recommendations.

Recently MSBA sent a modification to their Community Use of District Facilities to their subscribers. They also advised that the district’s liability carrier be consulted regarding any issues of expanding the use of district facilities. MUSIC responded to this by recommending that members continue to manage their facilities through Facility Use Agreements and that use by outside individuals or groups continue to require approval by the member. Failure to properly manage your facilities presents significant liability exposure and costs to both the member and MUSIC.

**GALLAGHER BASSETT STAFF CHANGES**

**WILLYE ROWLAND**
**SENIOR ACCOUNT MANAGER**
**GALLAGHER BASSETT**

Gallagher Bassett is pleased to announce three new additions to the GB MUSIC Staff.

The first new team member is Willye Rowland, who serves as the new Senior Account Manager for the MUSIC Program. She began her career in 1985 with Liberty Mutual and joined Gallagher Bassett in August. Willye has 32 years of experience in the insurance industry with a focus on client/broker relationship and account management.

The second new team member is Kim Kersting, who serves as the Assistant Claims Branch Manager for the Workers’ Compensation MUSIC Team. Kim is responsible for personnel selection for staffing of various teams, as well as support staff. Kim has over 30 years claims experience.

Our third new member is Lisa Jackson who serves as the new Liability Supervisor for the MUSIC team. She is responsible for the supervision, personnel selection for staffing, and claim assignment on the MUSIC account. Lisa oversees the management of automobile, general liability, errors & omissions, employment liability, and school board legal liability claims. Lisa joins the team with over 25 years of claims experience.

Download a copy of the most recent Key Contact Directory Here.

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**DEPARTMENT OF INSURANCE EXAM**

**SCOTT WIGHTMAN**
**AREA EXECUTIVE VICE PRESIDENT**
**ARTHUR J. GALLAGHER**

Every five years, the Missouri Department of Insurance examines MUSIC’s financials and business practices. We are very pleased to report that the examination just completed showed no adjustments in our financials, and no negative findings or recommendations. You can view the full report by clicking here or pasting the following into your browser:

https://www.musicprogram.org/about/department-insurance-audit-december-31-2016/

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**ANNUAL MEMBERSHIP MEETING**

**MARK STOCKWELL**
**MUSIC EXECUTIVE DIRECTOR**

The 2018 MUSIC Annual Membership Meeting is just around the corner. Please mark your calendars for January 25-26, 2018 at the Lodge of Four Seasons, Lake of the Ozarks. The agenda is available on our website. You may call the Lodge (573-365-3000) now to make reservations.

You may also register online with MUSIC on the events page.
SLIP AND FALL PREVENTION IN WINTER WEATHER

ALAN SCHMITT
AREA VP – LOSS PREVENTION
ARTHUR J. GALLAGHER

Yes, it is that time of year again when we see an increase in slips and falls as a result of the weather. So, what can we do to help prevent these potential serious injuries? There are several things we can do. However, the first and probably most important thing we need to do is be prepared.

Preparation

➢ It’s time to locate our shovels, ice melt and other items we will need to keep our walking surfaces clear of ice and snow. It is important that these items are readily available before the first freezing event.

➢ We must also make sure that we have floor mats available and ready for use at each entrance. This includes both public entrances and those used by staff.

➢ We must also have “WET FLOOR” signs located by each entrance. Although this may seem obvious, small visual reminders go a long way.

After we have located all of the tools we will need to help reduce slips and falls, it is time to develop a plan and communicate this plan to all staff.

The Plan

➢ We must identify who is responsible for the removal of snow and spreading the ice melt? Is it only the custodial and maintenance staff or should others be included? What about after hour events and other activities. Who is responsible for our walkways and entrances during these functions?

➢ If we include others we will need to provide proper safety instruction to them. In addition, we must make sure that everyone has the proper PPE (personal protective equipment). This may include: proper gloves for handling the ice melt, hearing protection and eye protection. In addition, we must also provide instruction on the proper methods to spread ice melt. We have all been in places where there is so much ice melt it creates a slip and fall hazard.

➢ We must develop a plan to address the hall and entrances to our buildings. It is important that we keep up on wet floors and an accumulation of ice melt at our entrances.
Keeping Our Staff Safe

- It may seem simple, but cold weather and black ice reminders are important.
- If we have staff who are responsible to work alone outside, we must have a procedure to “checkup” on them.
- Consider providing “ice grips” to those who have the primary responsibility for removing the ice and snow. These are simple items to attach to the boots.
- We need to make sure there is adequate lighting for staff to work during the night or early morning.
- Finally, we need to train all staff responsible for snow removal in the proper use of the power equipment and vehicles used in the process.

- We must constantly remind staff of the possibility of “black ice”

Contracted Service

If you contract all or part of your service, you need to determine the specifics of the contract. Some questions to ask include:

- What triggers a snow or ice event?
- Will the contract service also spread ice melt or cinders?
- How often will they plow/treat the parking lot and sidewalks?
- Have you obtained a certificate of insurance for liability and work comp?

Winter weather can and will create special slip and fall challenges. However with a little preparation, staff training and communication, we can hopefully avoid a serious injury.
**RENEWAL OF 2017 CERTIFICATES – YES IT IS THAT TIME AGAIN**

**AMY MEHRMANN-DALE**  
**ACCOUNT REPRESENTATIVE**

During the year, many Certificates are issued: some require renewal, some do not. Each year the MUSIC team provides a Certificate Renewal List to every Member for their Certificates issued for the current policy term. This list can be found in your ‘Document Library’ in the ADMIN PORTAL once you sign in to the MUSIC website, [www.musicprogram.org](http://www.musicprogram.org). For some, this may look like a daunting task, but let me try to make this easier to tackle. Once in Document Library New, open the 2017 Other Documents Tab and find the 2017 Certificate Renewal List document.

The Holder schedule will be broken into Included and Excluded for each type of Coverage we provided. If everything looks okay, there is no need to do anything else and these are the Certificates that will be renewed. If you have changes, please note these changes on the list and return to me. When you are making changes, you are more than welcome to use Adobe to comment and mark. After saving, you may fax the changes to 866-372-7170 or email them to musicprogram@ajg.com or to me amy_mehrmann@ajg.com. Whatever method is easier for you, the member, is ok with me.

Certificates of Insurance in general are normally issued to prove that you have insurance and that it is current. Examples are: If you use someone else’s facility, if you lease or rent property or have a loan on property (contents or building) the lien holder will require a certificate adding the Lender or Lessor as a Loss Payee on the Property and as an additional insured on the General Liability. If this wording is not requested, we do not volunteer or add it.

Each time you add an additional insured you are sharing your limits with that additional insured. On the other hand, any time someone else uses your facility or property, or a vendor enters the district/college premises, a certificate of insurance should be provided to the district/college adding the district/college.

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**Quick Contacts**

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