



Early budget estimates have been prepared to aid you in budgeting for the 2025/26 fiscal year. It is important to keep in mind it is early on in the process of determining each Program's total cost with most Program's renewing almost nine months from now. At this time, your entity's exposure and loss experience have not been updated in any of the allocation models as PRISM is in the process of collecting and analyzing the data. Further, PRISM has not contemplated any credits from the prior year into this round of budget estimates. At the direction of the Board of Directors, the estimates provided are intended to be conservative; however, final premiums may be in excess of these estimates. Since PRISM does not have renewal rates for any of the programs, we recommend you budget towards the upper end of the range plus any differences in exposure or loss experience which have not yet been considered. PRISM is planning to distribute another round of estimates to the membership that reflect updated loss and exposure data, including pool rates, in the middle of January 2025. Final estimates will be provided the first week of June 2025.

If you are aware of any substantial changes over the past 12 months, please contact Sarah Bishop and a better estimate can be developed for you.

General Liability 1 Program

Premium

23/24 Premium:	\$78,493	2023/24 Estimated Payroll:	\$1,845,580
24/25 Premium:	\$111,270	2024/25 Estimated Payroll:	\$2,212,980
25/26 Estimated Premium:	\$154,000 to \$167,000		

The liability market has continued to experience a hardening trend in response to rising claims costs. These increased claims costs have also impacted PRISM's pool. PRISM's Actuarial Department performed studies on each of the rating groups to evaluate rate adequacy, which resulted in a change to the methodology used to calculate the rates and produced significantly higher rates. Based on the significance of the rate increase and because it is the result of a methodology change, the Underwriting Committee determined to phase-in the change over a 3-year period, starting with the 2023/24 rates. As a result, for the 2025/26 renewal, we are anticipating rate increases of 20% to 40% for the non-school rating group and 20% to 35% for the schools rating group. In light of ongoing challenges in the liability market, we are also conservatively projecting increases of 25% to 40% for the \$5M xs \$5M layer, 25% to 40% for the \$9M xs \$10M layer, and 15% to 30% for the \$6M xs \$19M layer. These estimates assume a 3%- 7% exposure increase across all members. As noted in the introduction, these estimates also do not contemplate any premium credits based on loss experience.

To learn more about PRISM's response to the hard insurance market and how to discuss premium increases with stakeholders at your entity, please see the narratives and talking points provided on PRISM's website at prismrisk.gov/coverages/managing-a-hard-market.



Optional Excess Program

Premium

23/24 Premium:	\$16,959
24/25 Premium:	\$20,827
25/26 Estimated Premium:	\$27,000 to \$30,000

This program currently provides excess limits up to \$25M excess of \$25M on an optional basis above the GL1 or GL2 programs. We currently recommend that the members budget for a 25-40% rate increase; however, the actual increase or decrease may differ for each member due to exposure changes and/or losses. For those members that do not participate in all layers and are interested in higher limits, please budget for the additional layer(s) accordingly.

Cyber Liability Program

Premium

23/24 Premium:	\$7,364
24/25 Premium:	\$7,531
25/26 Estimated Premium:	\$8,300 to \$9,800

At this time, we recommend members with no paid or open claims, to budget for a 10% - 30% rate increase. For members that have paid losses or open claims with the potential for paid losses, please budget for a 20% - 60% rate increase. For members with significant losses, exposure changes and inadequate security controls, the increase may be larger. Please note the 24/25 base premium used does not reflect the credit given to members without losses. This is reviewed and decided each year by the Executive Committee.