



Protecting Your Mission: Insurance Trends and Risk Strategies for Nonprofits

Shane Ideus, Jay Lechner, Chase Keitges

Agenda

- ▶ About UNICO
- ▶ Our Experience
- ▶ Commercial Insurance Trends
- ▶ Employee Benefits Trends

Our Story

- ▶ UNICO Group is a client-focused insurance broker
 - Headquartered in Lincoln, Nebraska
 - Our consultative and relational approach develops customized solutions for clients around the nation
- ▶ Fueled by Core Values
 - Professional, trust, positive and team player
- ▶ Relationship driven
 - That includes you, your family, and your business; our employees; and the communities we serve
 - You can trust that you will never be treated as just a number



Our Experience



Shane Ideus

President

- ▶ Joined UNICO in 2009 as a Risk Consultant
- ▶ Promoted to President in 2024
- ▶ Nonprofit executive sponsor



Jay Lechner

Benefits Consultant Vice President

- ▶ Joined UNICO in 2019, worked in insurance 8 years
- ▶ Specializes in building customized benefits packages



Chase Keitges

Risk Advisor

- ▶ Joined UNICO in 2024
- ▶ Specialist in the Nonprofit sector

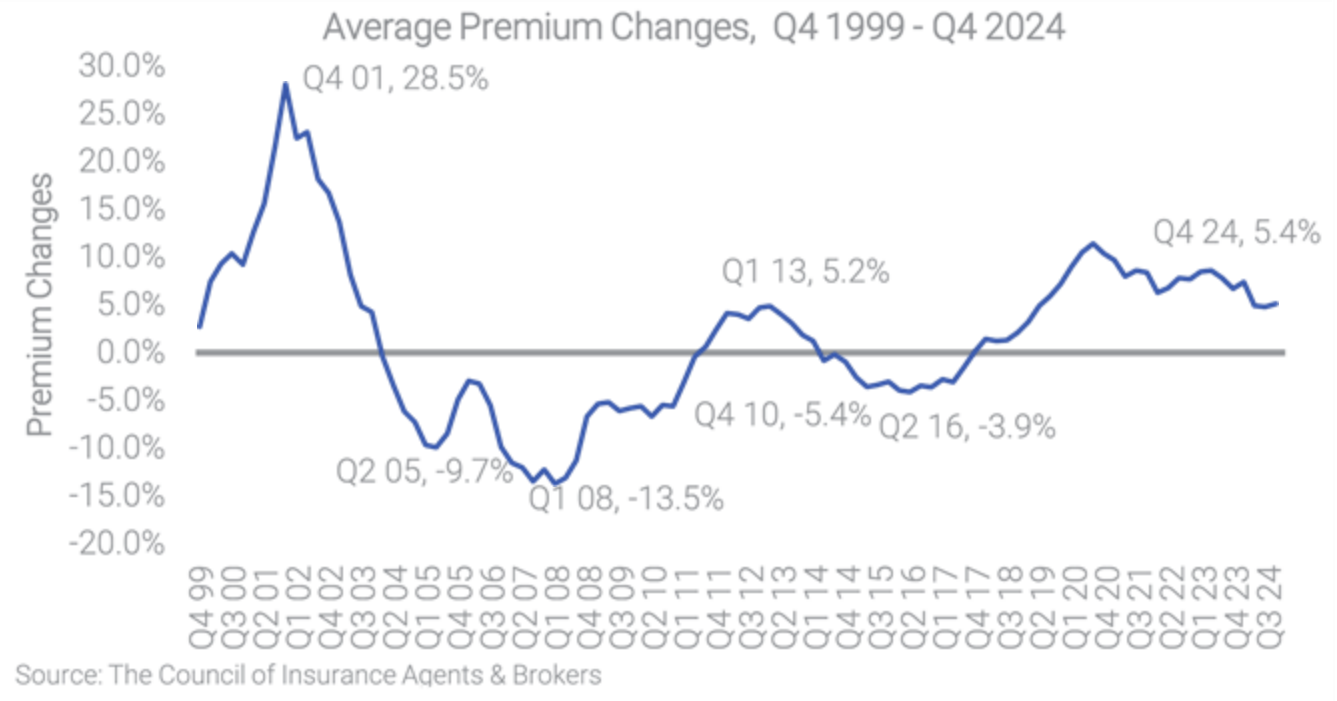
Market Trends

Where connections make a **difference.**

unicogroup.com

State of Property & Casualty Market

- ▶ Commercial Property
- ▶ General Liability
- ▶ Workers' Compensation
- ▶ Cybersecurity
- ▶ Auto
- ▶ Management Liability



State of Property & Casualty Market

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Q4 Rate Changes Among Major Lines

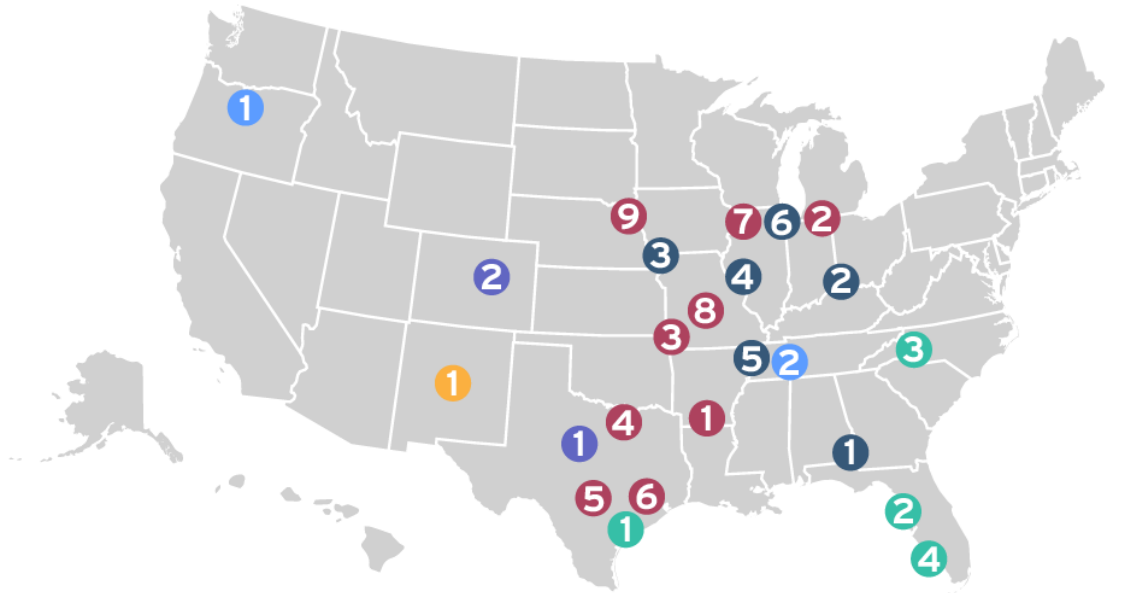
	Comm'l Auto	Workers' Comp	Comm'l Prop	Gen'l Liab	Umbr	Avg
Q4 23	7.3%	-1.8%	11.8%	3.8%	7.6%	5.7%
Q1 24	9.8%	-1.8%	10.1%	4.1%	7.0%	5.8%
Q2 24	9.0%	-2.2%	8.9%	5.1%	7.2%	5.6%
Q3 24	8.5%	-1.4%	7.9%	4.8%	8.6%	5.7%
Q4 24	8.9%	-1.8%	6.0%	5.3%	8.7%	5.4%
CHG %	+0.4%	-0.4%	-1.9%	+0.5%	+0.1%	-0.3%

Commercial Property

- ▶ Trends to watch:
 - Natural disasters
 - Stable reinsurance market and increased capacity
 - Shift to excess & surplus markets
 - Insurance-to-value (ITV) considerations

- ▶ Tips to navigate the market

U.S. 2024 Billion-dollar Weather and Climate Disasters



Hailstorms

- 1 Texas Hail Storms
May 6-8, 2023
- 2 Colorado Hail Storms and Southern Severe Weather
May 31-June 1

Hurricanes

- 1 Hurricane Beryl
July 8-9
- 2 Hurricane Debby
August 5-9
- 3 Hurricane Helene
September 24-29
- 4 Hurricane Milton
October 9-10

Severe Weather

- 1 Southern
February 10-12
- 2 Central and Eastern
February 27-28
- 3 Central and Eastern
March 12-14
- 4 Southern and Eastern
April 8-11
- 5 Southern
May 11-13
- 6 Southern Derecho
May 16-17
- 7 Central, Southern, and Eastern
May 18-22
- 8 Central and Eastern
June 12-14
- 9 Central and Northeastern
June 24-26

Tornadoes

- 1 Southern Tornado Outbreak and East Coast Storm
January 8-10
- 2 Central Tornado Outbreak and Eastern Severe Weather
April 1-3
- 3 Central and Southern
April 26-28
- 4 Central, Southern, and Southeastern
May 6-9
- 5 Central
May 25-26
- 6 Central and Eastern Tornado Outbreak and Severe Weather
July 13-16

Wildfires

- 1 New Mexico Wildfires
June-July

Winter Storms

- 1 Northwest
January 12-14
- 2 Central, Southern, and Northeastern
January 14-17

General Liability

- ▶ Trends to watch:
 - Litigation concerns
 - Expected moderate rate increases from 1% to 9%
 - Active assailant exposures
- ▶ Tips to navigate the market



Workers' Compensation

- ▶ Trends to watch:
 - Inflation issue
 - Shifting workplace demographics
- ▶ Tips to navigate the market



Nonprofit Volunteer **SAFETY MANUAL**

Provided by: UNICO Group

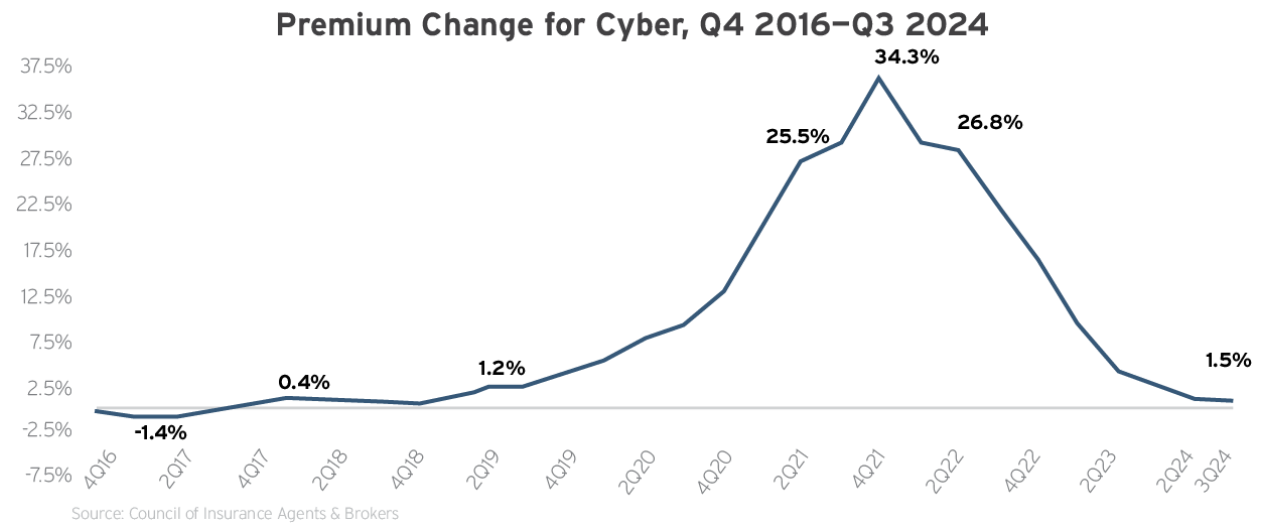
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Cyber

▶ Trends to watch:

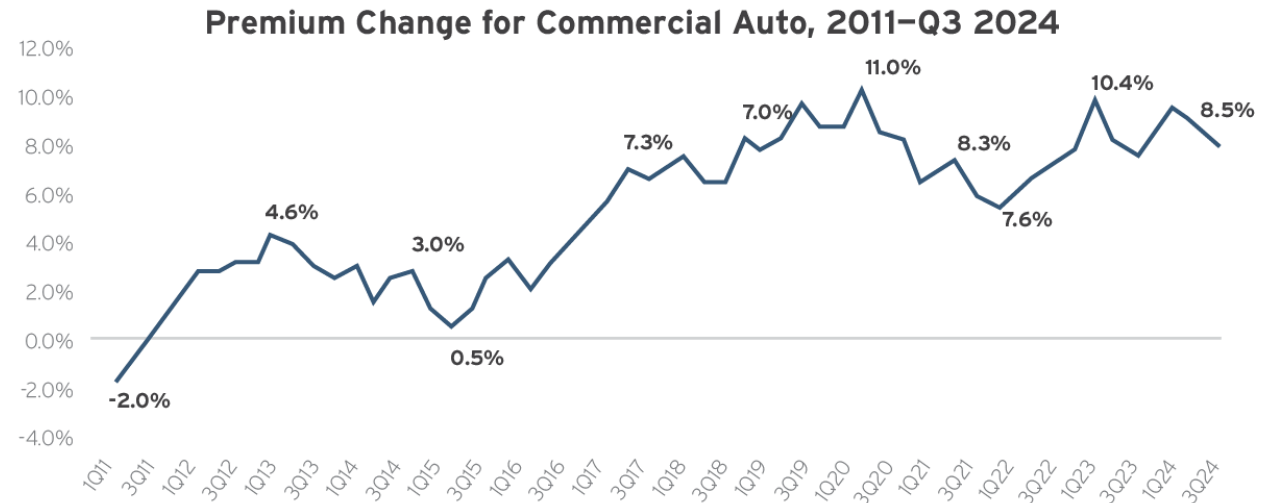
- Ransomware threats
- AI exposures
- Supply chain vulnerabilities
- Data collection concerns

▶ Tips to navigate the market



Commercial Auto

- ▶ Trends to watch:
 - Physical damage claims
 - Fleet exposure
 - Deductible structuring
- ▶ Tips to navigate the market

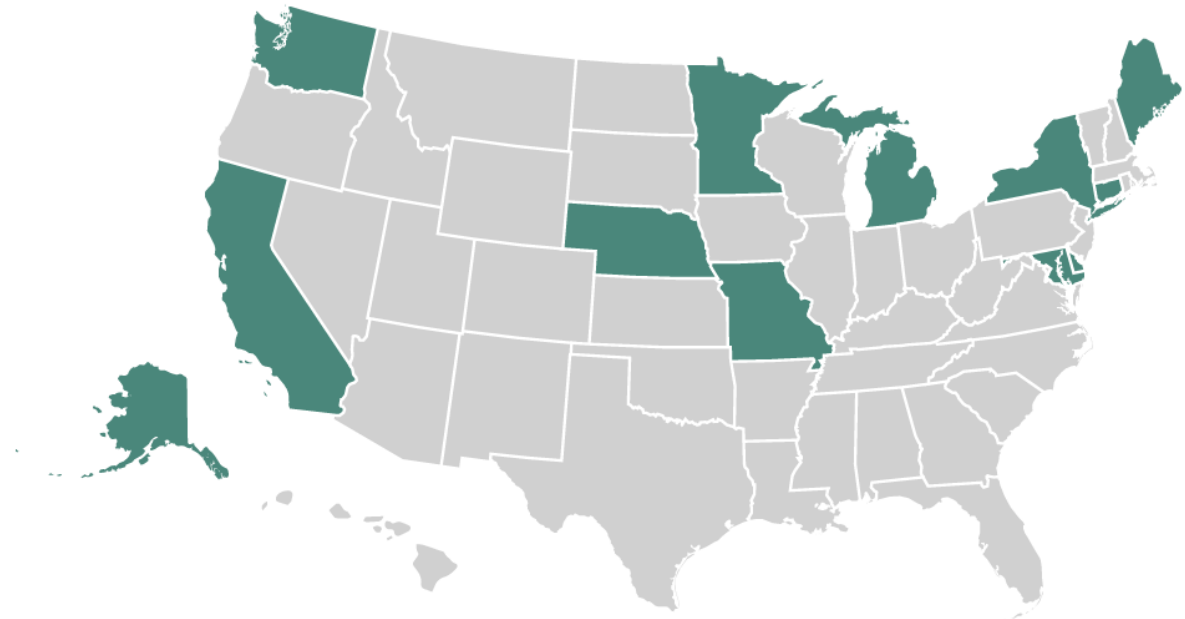


Source: Council of Insurance Agents & Brokers

Management Liability

- ▶ Trends to watch:
 - D&O
 - EPLI
 - Fiduciary Liability
 - Crime
- ▶ Tips to navigate the market

States With New PSL and PFML Developments in 2025



Role of Benefits in Nonprofits

- ▶ Attracts talented and passionate employees
- ▶ Higher retention
- ▶ Workforce shortages due to:
 - Salary competition
 - Lack of benefits

Unemployment rate*:



Total nonfarm** payroll employment:

+142,000

Primary job gains:

Construction, health care and social assistance.

Construction:

+34,000

Health care:

+31,000

Social assistance:

+13,000

*The BLS does not count furloughed individuals as "unemployed."

**Nonfarm: This category refers to goods, construction and manufacturing companies in the United States. Data in this category excludes farm workers, private employees and nonprofit organizations.

Source: Bureau of Labor Statistics

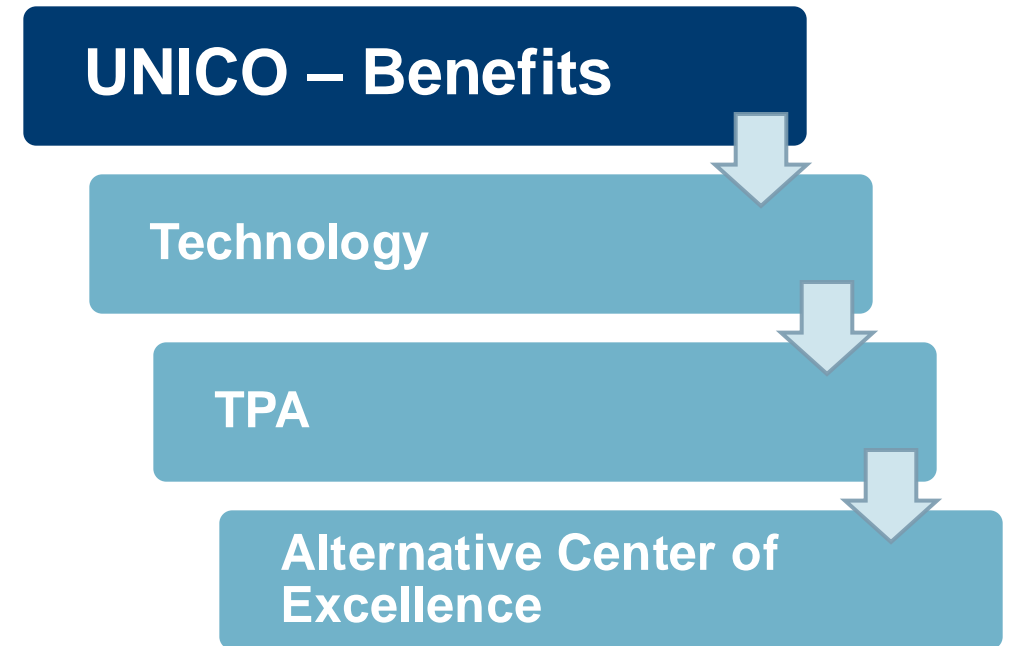
State of the Healthcare Market

- ▶ Rx spend continues to dominate the landscape
 - Weight loss drugs – GLP-1's and Ozempic
 - Specialty Drugs
- ▶ Medical Inflation
 - Continues to outpace inflation
 - Medical costs expected to rise at 8% in 2025
- ▶ AI in the medical world
 - There is hope to control spend



What Can YOU Do?

- ▶ Do your homework
 - Evaluation is important
 - Every 3-5 years marketing plans to other carriers
- ▶ Employee Survey
 - Keeping a pulse on what's important to them
 - Makes them feel engaged and heard
- ▶ Picking the experts to help understand



NONPROFIT EDUCATION SERIES

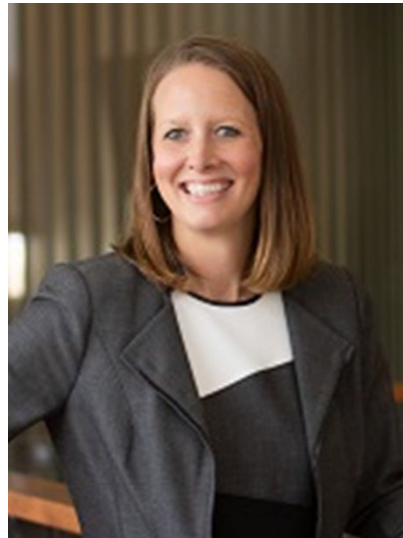
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CPAs & Consultants | Wealth Management

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Risk Assessment and Planning



Krystal Siebrandt, CPA, CFE, CGMA, CAP
Partner, HBE LLP

Uncertain Times

“Uncertainty is the only certainty there is, and knowing how to live with insecurity is the only security.”

– John Allen Paulos

- How do we live with uncertainty and insecurity? Scenario plan so the unknown becomes more known and less scary.

Why plan for uncertainty?

- To mitigate potential negative impacts
- To proactively adapt to change
- To seize opportunities that may arise
- To comfort clients, employees, funders, and other stakeholders

Risk Planning Process

1. Brainstorm risks to the organization
2. Organize risks into categories (i.e., programs, operations, funding, etc.)
3. Rate risks – By likelihood and impact (low, medium, high)

Risk Planning Process

4. Develop scenario models starting with high likelihood + high impact risks
 - Consider best case, moderate case, and worst-case scenarios
5. Create potential action steps for each scenario
6. Determine key trigger points for taking each action

Sample Risk Plan

Funding Risk – Loss of Federal funding

Likelihood = High; Impact = High

Best case scenario – Temporary suspension of funding

- Action – Use reserves to bridge gap in funding
- Trigger – Upon notification of suspension

Moderate case scenario – Permanent partial cut in funding

- Action – Cut program staff proportionately
- Trigger – Upon notification of cut

Worst case scenario – Complete loss of funding

- Action – Cut program
- Trigger – Upon notification of loss

Risk Assessment and Planning

In summary, don't wait for something to catch you off guard. Be proactive in identifying, assessing, and planning for potential risks.



Questions?

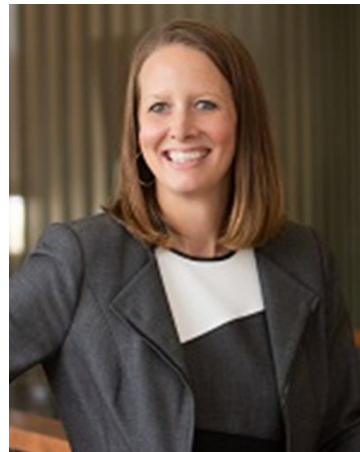


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Contact Information



Krystal Siebrandt

HBE LLP

ksiebrandt@hbecpa.com

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