TEAM KENTUCKY

FINANCE AND ADMINISTRATION CABINET

State Risk Newsletter

Fall 2026



FROM THE DIRECTOR'S OFFICE

Renewal Premium vs. Projected Premium

Frequently Asked Question at Renewal: Why did my renewal premium differ from the projected premium?

The Budget Office projection for Fiscal Years 2027 and 2028 was based on the total insured value as of June 30, 2025, and was intended for budgeting purposes. Actual renewal premiums reflect changes made after that date.

The final renewal premium may differ from the projected premium due to the following factors:

IN THIS ISSUE

RENEWAL PREMIUM VS. PROJECTED PREMIUM

TEMPORARY INLAND MARINE INSURANCE COVERAGE

PROTECTING KENTUCKY FLEET VEHICLES DURING SEVERE WEATHER

STATE RISK MAILBOXES

FALL SEASON SAFETY TOPICS

1. **Annual Inflation Adjustment**
   Building values are adjusted annually to reflect changes in construction costs and inflation. These updated values are used when calculating the renewal premium.

2. **Changes in Requested Coverage**
   Agencies may have added, removed, or modified insured property or coverage since June 30, 2025. These changes are reflected in the renewal premium but were not included in the original projection.

3. **Claims History Surcharge**
   Each policy is subject to a premium surcharge based on claims history. Changes in claims activity can affect the surcharge and, consequently, the final premium.

The **projected premium should be viewed as a budget estimate, not a guaranteed renewal amount**. The actual renewal premium is based on the most current insured values, coverage information, and applicable rating factors at the time of renewal.

As a result, differences between the projected and final renewal premiums are expected when property values, coverage, or claims history change after the original projection date.

We understand that differences between the projected and renewal premiums can create questions during the budgeting and renewal process. State Risk is committed to providing agencies with accurate, transparent information and appreciates your understanding that final premiums reflect the most current property, coverage, and claims information available at renewal.

Temporary Inland Marine Insurance Coverage

By Jeni Collins

Effective July 1, 2026, the minimum premium for Temporary Inland Marine Insurance coverage is $500.

- The premium will be charged when coverage is issued.
- Coverage will be provided for 90 days.
- Coverage will automatically terminate after 90 days.
- There will be no refund for coverage terminated early.
- The primary policy contact will receive an email notification 15 days prior to the coverage expiration date.
- If coverage needs to continue beyond the 90-day period, the insured may contact StateRiskUnderwriting@ky.gov to request an extension.

Protecting Kentucky Fleet Vehicles During Severe Weather

By Sandy Etherington

Recent severe storms in Kentucky have brought heavy rain, flash floods, large hail, and tornadoes.

Beyond ensuring immediate employee safety, agency leaders and fleet managers must take proactive steps to protect state-owned assets and ensure state services remain uninterrupted after a storm.

Move Vehicles to Higher Ground

- **Park High:** Move state vehicles to the highest parts of the parking lot before storms start.
- **Avoid Low Spots:** Stay away from retention ponds, ditches, and storm drains that overflow quickly.
- **Never Start a Submerged Vehicle:** If water reaches the bottom of a parked vehicle, do not turn the key. Starting a wet engine ruins it completely. Tow it to a repair shop instead.



Flooded storage building damaging parked vehicles.

Check Indoor Storage Areas

- **Think About Elevation Levels:** Parking vehicles inside a garage will protect them from hail and wind, but you must also be mindful of flooding risks, especially on lower levels.
- **Use Upper Levels:** If using a multi-story parking garage, park vehicles on upper floors rather than the ground level.

Avoid Wind and Hail Hazards

- **Stay Away from Trees & Power Lines:** Do not park under large trees, weak branches, or power lines that could fall during high winds.
- **Protect Glass:** Park under solid covers (like garages or carports) when large hail is expected.

State Risk Mailboxes

Property Underwriting: StateRiskUnderwriting@ky.gov
Property Claims: StateRiskPropertyClaims@ky.gov
Sprinkler Inspection Program: StateRiskSprinklerProgram@ky.gov
Boiler Inspection Program: StateRiskBoilers@ky.gov
KSAP Underwriting: KSAPUnderwriting@ky.gov
KSAP Auto Claims: KSAPAutoClaims@ky.gov

Fall Season Safety Topics

By Cecil Sowers



Slips, Trips, and Falls

- Wet leaves create slick surfaces similar to ice; slow down and clear walkways.
- Keep entrances free of water, leaves, and debris.
- Use proper footwear with slip-resistant soles.



Weather Variability

- Fall brings temperature swings—cold mornings and warm afternoons—which can cause cold stress or heat illness.
- Foggy mornings reduce visibility for drivers and outdoor workers.

Shorter Daylight & Visibility

- Darker mornings & evenings increase accident risks in workplaces and on roads.
- Improve workplace illumination and check exterior lighting.
- Watch for wildlife and school-zone traffic during dusk and dawn.

Smoke & Carbon Monoxide Detectors

- Cooler weather means more indoor time — and more heating use. Test detectors and replace batteries to ensure early warning in case of fire or CO buildup.
- The “fall back” change in daylight savings time (in regions that observe it) is often used as a reminder to replace batteries in smoke and CO alarms.
- Carbon monoxide (CO) risk rises as we use gas HVAC, fireplaces, or closed windows/doors. Never use a gas oven or stovetop as a primary heating source.

Severe Weather Preparedness

- Fall overlaps with hurricane season; review evacuation routes and emergency plans. Depending on the location, Kentucky always gets the tail end of a southern storm and its damaging effects.
- Follow “Turn Around, Don’t Drown” when encountering floodwater—six inches can knock an adult off their feet.

Fire & Heating Safety

- Inspect furnaces, fireplaces, and chimneys to prevent carbon monoxide leaks and fires.

Outdoor Work & Yard Safety

- Use PPE for leaf removal and yard cleanup.
- Watch for early frost and cold-stress risks.
- Wear eye and hearing protection when using leaf blowers.

Mental Health & Daylight Changes

- Shorter days can affect mood and energy. Prioritize outdoor time, social connection, and rest to beat the seasonal blues.
- With shorter days and less light, some people may feel mood changes (e.g., less activity, more indoor time). Encourage maintaining routines, getting daylight exposure in the morning, and staying socially connected.
- If you work long hours, ensure breaks and daylight exposure — seasonal change can subtly affect energy levels.