

**Denton ISD**  
**Workers' Compensation**  
May 14, 2024

**SUMMARY:**

This item requests approval of the Workers' Compensation Insurance renewal for Denton ISD effective July 1, 2024.

**BOARD VALUES**

**Growth & Management...**In the pursuit of excellence, we value

- providing leadership and/or oversight to ensure Denton ISD meets all fiscal, legal and regulatory requirements.
- demonstrating effective and efficient management of district resources.

**Culture & Climate...**In the pursuit of excellence, we value

- promoting health, wellness, and emotional well-being.

**PREVIOUS BOARD ACTION:**

On May 16, 2023, the Board approved the renewal of Texas Association of School Boards Risk Management Fund (TASB) as the District's insurance provider for this coverage.

**BACKGROUND INFORMATION**

- Having an Aggregate Deductible for 2023-2024 allowed the District to budget for our maximum exposure of \$992,614.
- The Interlocal Participation Agreement between TASB and Denton ISD was approved by the Board of Trustees on March 29, 2022, and remains in effect unless terminated.

**SIGNIFICANT ISSUES:**

- The Annual Fixed Cost option allows for a contribution of \$270,834 (which is based on estimated payroll and will be audited at the end of the fiscal year) with a maximum claim liability (Aggregate Deductible) of \$807,252 a maximum total exposure of \$1,078,086.
- Denton ISD will reimburse the TASB Fund for amounts paid for workers' compensation claims up to the Claims Liability (Aggregate Deductible). The TASB Fund will pay claims in excess of the Claims Liability amount.
- TASB will continue to act as the Workers' Compensation claim administrator and Actuarial and Loss Prevention services are still provided.

**FISCAL IMPLICATIONS:**

**Workers' Compensation Coverage:**

**ANNUAL PREMIUM:**

Category	2023-2024	2024-2025	Difference (Increase)
Workers' Compensation Contribution	\$ 252,833	\$ 270,834	\$ 18,001
Workers' Compensation Aggregate Deductible	\$ 739,781	\$ 807,252	\$ 67,471
<b>Maximum Exposure</b>	<b>\$ 992,614</b>	<b>\$ 1,078,086</b>	<b>\$ 85,472</b>

**BENEFIT OF ACTION:**

Approval of these coverages will provide security of the District's assets.

**PROCEDURAL AND REPORTING IMPLICATIONS:**

Denton ISD is required to complete, sign, and return the Contribution & Coverage Summary prior to June 30, 2024, to avoid a lapse in coverage. Annual renewals are automatically generated unless the District provides a termination letter 30 days prior to June 30.

**SUPERINTENDENT'S RECOMMENDATION:**

Recommends the District approve the TASB Risk Management Fund proposal for Workers' Compensation Coverage:

- Term: July 1, 2024, through June 30, 2025.
- Contribution of \$270,834 with an Aggregate Deductible of \$807,252 for a total maximum exposure of \$1,078,086.

**STAFF PERSONS RESPONSIBLE:**

Dr. Jeremy Thompson, Deputy Superintendent

Chris Bomberger, Executive Director of Risk Management, Benefits & Child Nutrition

**ATTACHMENTS:**

None

**APPROVAL:**

Signature of Staff Member Proposing Recommendation: \_\_\_\_\_

Signature of Divisional Leader: \_\_\_\_\_

Signature of Superintendent: \_\_\_\_\_