

# **Adoption of a Resolution Delegating Authority to Approve Property and Casualty Insurance Coverages**

May 13, 2025

## **SUMMARY:**

As we prepare for the upcoming school year, Denton ISD has been presented with an opportunity to re-structure our property and casualty (which includes auto) insurance coverages. It is critical to protect the District's financial wellbeing and assets through proper insurance coverage. Adoption of this resolution will allow the Superintendent to act on behalf of the District in order to secure the needed insurance coverages for the term July 1, 2025 – June 30, 2026.

## **BOARD GOALS:**

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

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

## **BACKGROUND INFORMATION:**

On February 27, 2024, Roach Howard Smith & Barton (RHSB) was selected as our consultant for primary insurance. On May 14, 2024, the Board of Trustees approved property and casualty coverages through the Texas Association of School Boards (TASB) for the 2024-2025 fiscal year. The policies expire June 30, 2025 and will automatically renew, unless we provide a 30-day written notification of termination.

## **SIGNIFICANT ISSUES:**

- Property insurance costs continue to rise.
- The District's growth directly impacts the number of assets, as well as the total insurable value (TIV) of assets needing insurance coverage. For 2024-2025, our TIV was \$ 2,074,695,957. For 2025-2026, our TIV is \$ 2,238,010,177.
- In recent years, TASB has placed a sublimit of coverage on named and numbered windstorms, as well as single ply membrane roofs.
- Deductibles have been increased for weather related losses to District property. Auto liability and physical damage deductibles have been increased, as well.
- This potential risk of loss to the District initiated the process of working through broker services for coverage options.

## **FISCAL IMPLICATIONS:**

RSHB was charged with procuring enhanced coverage at a cost at or below the current cost. The total cost of property coverage for the current policy year is \$4,462,999. A not greater than quote for property coverage has been obtained at \$4,373,651.

## **BENEFIT OF ACTION:**

To secure the needed property and casualty insurance coverage for July 1, 2025 through June 30, 2026.

## **PROCEDURAL AND REPORTING IMPLICATIONS:**

N/A

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## **ALTERNATIVES:**

No alternative actions are known currently.

## **OTHER COMMENTS:**

N/A

## **SUPERINTENDENT'S RECOMMENDATION:**

Superintendent recommends the adoption of this resolution delegating authority to approve property and casualty (which includes auto) insurance for policy year beginning July 1, 2025 through June 30, 2026.

## **STAFF PERSONS RESPONSIBLE:**

Chris Bomberger, Executive Director Administrative Services

Deron Robinson, General Counsel

## **ATTACHMENT:**

Resolution of the Board of Trustees regarding the Delegation of Authority to Approve Insurance Coverage