

**PROPERTY & CASUALTY PROPOSAL
PREPARED ESPECIALLY FOR:**

Member: **Sonora ISD**
807 S. Concho Avenue
Sonora, TX 76943

Policy Term: **9/1/2025 to 9/1/2026**

Date of Proposal: **July 25, 2025**



Quote

Public Educators Association of Texas

PUBLIC EDUCATORS ASSOCIATION OF TEXAS is a property & casualty Fund formed by the Texas Interlocal Cooperation act to provide coverages for Texas educational institutions. PEAT operates as a risk pool with “aggregate stop loss” protection backed by “A” rated carriers. PEAT is a financially secure alternative for Texas schools for property & liability coverage, with a foundation built upon a personalized service commitment to the members, customized loss control initiatives and aggressive claims management.

Specific coverages from PEAT may include:

Property & Inland Marine

General Liability/Employee Benefits Liability

Auto Liability & Auto Property Damage

Educators Legal Liability

Malicious Assailant

Equipment Breakdown

Law Enforcement Liability

Crime/Employee Dishonesty

Excess Liability

The following is a brief overview of the Pool structure and service components:

1. Legal Structure

- Governing Board of Directors comprised of elected officials.
- Formed by Interlocal Agreement.
- Gary Howell – Director - Tyler.

2. Administration

- Jan Skovbjerg – Vice President - Boerne.
- Nick Gannon – Underwriter - Richardson.
- Pamela Boggs – Underwriting Assistant - Richardson.

3. Claims, Loss Control & Member Services

- Contracted by Claims Administrative Services (CAS).

4. Funding

- Fully funded aggregate stop-loss protection.
- Backed by A rated reinsurance carriers.

For more information, please visit www.peat-tx.com.

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CONTRIBUTION AND COVERAGE SUMMARY PAGE

Member: Sonora ISD

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<u>Coverage Offered:</u>	<u>Contribution:</u>
Property/Inland Marine/Equipment Breakdown	\$415,692
General Liability/Employee Benefits Liability	\$1,411
Automobile Liability	\$13,690
Automobile Physical Damage	\$6,875
Crime/Employee Dishonesty	Included
Educators Legal Liability	\$2,620
Law Enforcement Liability	Excluded
Malicious Assailant	Excluded
Excess Liability	Excluded
Cyber Liability	Excluded
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Total Annual Contribution	\$440,288

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PROPERTY & INLAND MARINE

Limits of Liability:

(Per schedules provided)	\$86,070,424	Buildings
	\$7,662,620	Contents
	\$93,733,044	Total Limit

Deductibles:

\$10,000	Per Occurrence-Buildings and Contents
2% Min \$250,000	Wind and Hail per occurrence for affected buildings (including contents)

Additional Coverages:

Limit:

Deductible:

Flood (Excluding zone A & V)	\$2,000,000	\$100,000
Earthquake (Excluding zone 1 & 2)	\$2,000,000	\$100,000
Business Income	\$1,000,000	72 hours

Coverage:

1. Standard ISO property coverage - Special form, subject to coverage document exclusions.
2. Property claims must be reported within 12 months after the date of loss.
3. Replacement Cost applicable to Buildings, Contents and EDP. All others paid per coverage document form.
4. 125% Margin Endorsement applies.
5. No Assignment Endorsement applies.
6. Arbitration Endorsement applies.
7. Pre-Existing Damage exclusion applies.
8. Certain coverages subject to sublimits stated in coverage document.
9. Cosmetic loss or damage to metal rooftop material and other exterior components caused by wind or hail is excluded.
10. ACV applies to all roofs over 15 years old.
11. Ordinance and Law / code upgrades excluded on ACV roof claims.
12. AC units are excluded from coverage unless Hail Guards are installed.
13. A 2% Min \$250,000 deductible per occurrence for affected buildings (including contents) applies to freeze claims.
14. Flood is excess of NFIP. No coverage for zone A & V (If Applicable).

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PROPERTY & INLAND MARINE (Continued)

Sublimits are within, not in addition to, the total limits of liability

Special Property Coverages:
Limit:

Unless otherwise stated, a \$1,000 deductible applies.

1. Extra Expense	\$500,000
2. Valuable papers	\$100,000
3. Accounts receivable including electronic media	\$100,000
4. Fine arts	\$25,000
5. Mobile, portable, or contractor's equipment	\$100,000
6. Rented, leased or borrowed equipment	\$50,000
7. Outdoor trees, shrubs, plants	\$1,000 per tree/shrub/plant (\$100,000 in the aggregate)
8. Ordinance or Law coverage, loss to undamaged portion	Included
Demolition	\$500,000
Increased cost of construction	\$500,000
9. Computers, Media, and Communications equipment	\$500,000

Extensions of Coverage:
Limit:

1. Preservation of property	\$50,000
2. Fire Department service charge	\$25,000
3. Pollutant clean up and removal	\$25,000
4. Pollutant clean up and removal-planned events	\$10,000
5. Off premises service interruption direct damage	\$100,000
6. Sewer back up	\$100,000
7. Tuition and fees	\$20,000
8. Recharge or refill of fire protection systems after covered loss	\$5,000
9. Food contamination shutdown-planned events	\$10,000
10. Lock replacement coverage	\$1,000
11. Loss reduction rewards	10% of loss max \$25,000

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PROPERTY & INLAND MARINE (Continued)

12. Money, securities, stamps	Inside	\$7,500
	Outside	\$7,500
13. Newly acquired or constructed property		
	Building	1,000,000 @ ea bldg
	Business personal property	500,000 @ ea bldg
14. Non-owned detached trailers		\$5,000
15. Band Equipment and Uniforms		\$250,000
16. Miscellaneous equipment		\$100,000
17. Outdoor fences		\$250,000
18. Outdoor signs		\$150,000
19. Personal effects and property of others		\$10,000
20. Property off premises		\$100,000
21. Refrigerated property		\$100,000
22. Roof protection – Snow removal		\$500 any one clearing (\$1,000 in the aggregate)
23. Cost of Inventory or Appraisal		\$25,000
24. Specified appurtenant structures		
	Public use	\$100,000
	Your use	\$10,000
	Contents	\$1,000
25. Underground Pipes		\$100,000
26. Utility services-direct damage		\$100,000
27. Utility services-planned events		\$100,000
28. Building foundations coverage		\$100,000
29. Personal property in transit		\$100,000

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EQUIPMENT BREAKDOWN

Covered Equipment:

Covered Property built to operate under vacuum or pressure, other than weight of contents, or used for the generation, transmission or utilization of energy.

Coverages:

Limit:

Equipment Breakdown Limit	\$93,733,044
Property Damage	Included
Business Income	Included
Extra Expense	Included
Utility Interruption	\$1,000,000 – BI/EE
Hazardous Substances	\$1,000,000
Expediting Expenses	\$1,000,000
Ammonia Contamination	\$1,000,000
Water Damage	\$1,000,000
Spoilage	\$1,000,000

Deductible:

\$2,500

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GENERAL LIABILITY/EMPLOYEE BENEFITS LIABILITY

Form:

Occurrence

Limits of Liability:

Primary Bodily Injury and Property Damage Liability-Combined	\$1,000,000	Per Occurrence
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General Aggregate	\$2,000,000	Annual
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Deductible:

Not Applicable

Per Occurrence

Coverage:

1. Premises Operations
2. Products and Completed Operations
3. Fire Legal Liability \$50,000
4. Corporal Punishment
5. Limited Worldwide Coverage
6. Additional Persons Insured
7. Employee Benefits Liability: Claims-made with sub-limits of \$1,000,000/\$1,000,000 and retro-active date of 9/1/2020; Deductible: \$1,000.

Exclusions include but are not limited to: Pollution, Asbestos, Fungi or Bacteria, Lead, Nuclear, War, Medical Payments (unless a limit is shown), Intentional and Criminal Acts.

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AUTOMOBILE LIABILITY

Limits of Liability:

Bodily Injury and Property Damage Liability	\$100,000 / \$300,000 / \$100,000
Medical Payments	No Coverage
Uninsured/Underinsured Motorists	\$30,000/\$60,000/\$25,000

Deductible:

Not Applicable

Number of Autos:

56

AUTOMOBILE PHYSICAL DAMAGE

Physical Damage Deductible:

Comprehensive	\$1,000
Collision	\$1,000

Number of Autos:

Refer to schedule on file

Additional Coverage:

Hired Physical Damage	\$50,000
Deductible	\$1,000

Coverage and Notes of Importance:

1. Hired and Non-Owned Liability included.
2. Contribution is based on number of vehicle and subject to adjustment if schedule is changed prior to coverage effective date.
3. Fleet Automatic Coverage Applies. Additions and deletions must be reported within 30 days.
4. Use of 15 passenger vans must be approved and a passenger van safety policy must be in place.

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CRIME/EMPLOYEE DISHONESTY

Form:

Commercial Crime

Coverage:

Limits:

Deductible:

Public Employee Dishonesty

\$100,000

\$1,000

Money & Securities - Inside

\$50,000

\$1,000

Money & Securities - Outside

\$50,000

\$1,000

Forgery and Alteration

\$50,000

\$1,000

Computer Fraud

\$50,000

\$1,000

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EDUCATORS LEGAL LIABILITY

Form: Claims Made-Duty to Defend

Coverage: Pays damages the insured becomes legally obligated to pay because of a “wrongful act” arising out of the discharge of duties.

<u>Limits of Liability:</u>	\$1,000,000	Each Occurrence
	\$1,000,000	Annual Aggregate

<u>Deductible:</u>	\$2,500	Each Claim
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<u>Retro-active Date:</u>	Full Prior Acts
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Coverage Extensions:

1. Deductible applies towards damages, “claims expense” and supplemental payments.
2. Broadened definition of “Who is an Insured”.
3. Employment Practices including Sexual Harassment.
4. Non-monetary claims are excluded. Limited coverage of \$50,000 each claim with \$100,000 policy aggregated is provided for defense of Employment Related Practices.
5. Back pay limited coverage of \$50,000 each claim with \$100,000 policy aggregate.

Notes of Importance:

1. This proposal is subject to receipt and approval of completed and signed Educators Legal Liability portion of the PEAT Package Application prior to binding.
2. Retro-active date is contingent on proof of prior coverage.

Exclusions include but are not limited to:

Known acts or pending litigation/claims, formulation or collection of taxes, internet site, pollution, construction contracts, asbestos.

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CLAIMS ADMINISTRATION

Claims Administrative Services (CAS), administers and closely controls all claims from start to finish. Rick Fisher is the Claims Coordinator for property, liability, and professional liability and performs the initial review of all loss notices. CAS is dedicated to exclusively serving governmental agencies throughout Texas. This team of full-time, licensed adjusters understands federal laws and state statutes governing actions against public entities.

You will find our approach to be aggressive and protective of your entity's interests. We take full advantage of rights afforded under the law.

In case of a disaster, a 24-hour claim hotline (1-800-765-2412) is available.

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NOTES OF IMPORTANCE

1. Public Educators Association of Texas is a property & casualty fund formed by the Texas Interlocal Cooperation Act. PEAT is not subject to the Texas Insurance Guaranty Act, in the event it becomes unable to meet its claims payment obligations. However, insured is named on reinsurance provided by Great American Insurance Company (A+ XV) and excess insurance provided by various carriers with at least an (A-) AM-Best Rating.
2. Quote is subject to review and acceptance by PEAT Board of Directors.
3. Contributions quoted are based on entire package and not available for individual lines of coverage without prior authorization from the underwriter.
4. Not all coverages, limits or deductibles requested may be provided in this quotation.
5. Quote is not bound until written orders to bind are received from the producer and PEAT subsequently accepts the risk.
6. This proposal is based upon exposures to loss made known to the underwriter. Any changes in exposures (i.e. new operations, new acquisitions of property or change in liability exposure) need to be reported to us immediately.
7. All proposals are subject to the underwriter's acceptance of completed, signed PEAT Package Application. Should signed application reveal differing information than original application received, the entire quote/binder is subject to revision and possible retraction.
8. The signed signature page, accompanied by the exposure summary from the application—including the insured values for all properties—must be submitted within 30 days of binding.
9. Functional replacement cost applies to buildings over 65 years old or other property with historical/landmark status. Please refer to the PEAT coverage document form on how this coverage applies.
10. PEAT's liability for loss or damage will be limited only to the loss or damage resulting from a covered cause of loss subject to deductibles conditions and restrictions that are stipulated in the PEAT coverage document.

This proposal expires on the effective date of coverage unless coverage is bound. If we have not received a written request to bind coverage by then, we will close our file. This proposal may not match the coverage requested. If you have any questions or would like alternative proposals, please contact us.

Please note that this proposal is a brief summary only, provided for comparison purposes. The actual terms, conditions, coverages and exclusions will always be determined by the coverage document forms. In the event of a difference, the policy will prevail. Increased limits of liability insurance are available. Please contact your agent for a proposal at your convenience.

REMINDER: Only **PEAT** has the authority to bind, alter or cancel coverage on behalf of the carrier. Coverage cannot be assumed to be bound without written confirmation from an authorized representative of **PEAT**.



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ACCEPTANCE OF PROPOSAL

Member Name: **Sonora ISD**

After careful review and consideration of the terms and conditions described herein,

I hereby accept this proposal:

(Name)

(Title)

(Date)

We appreciate the opportunity to provide you with a competitive proposal. This proposal should be considered proprietary information. In the event we are unsuccessful in earning your good business, we respectfully request that all copies of this proposal be returned to our agency representative.