

Denton ISD
Property, School Liability, Privacy & Information Security and
Automobile Insurance Renewal
May 14, 2024

SUMMARY:

This item requests approval of the Insurance Property Coverage, School Liability (Professional, General and Employee Benefit) Automobile Liability, Automobile Physical Damage, Privacy & Information Security and Violent Acts Coverage 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

- For 2023-2024, all Wind, Hurricane and Hail losses were subject to a deductible of \$2,500,000,
- For 2023-2024, the District opted to purchase the Wind and Hail Deductible Buy Down through Higgenbotham. This lowered our wind-hail deductible from \$5,000,000 to \$3,500,000 per occurrence. The cost of this endorsement was \$336,284.63.
- Denton ISD conducted a Request for Proposal for Broker Services in February 2024. RHSB was selected.

SIGNIFICANT ISSUES:

- The Fund will provide replacement cost value up to \$450,000,000 per occurrence.
- All HVAC units will be covered at Actual Cash Value not replacement cost.
- All HVAC units installed after 3/1/2025 that do not have an AC Coil (hail guard) are excluded.
- Weather Deductible changing to a % with a minimum per occurrence.
- Single Ply Membrane Roofs (SPM) that have a rating of Very Severe Hail (VSH) certificate from appropriate rating authority are not subject to the SPM Sublimit.
- Named and Numbered Windstorm Sublimit.
- Auto Physical Damage deductible increase from \$2,500 to \$5,000 per vehicle.

Property Coverage	2024-2025 Limit	2024-2025 Deductible	2023-2024 Limit	2023-2024 Deductible
All Perils except Wind, Hurricane, and Hail	\$450,000,000	\$500,000	\$500,000,000	\$500,000
Wind, Hurricane, and Hail	\$50,000,000	3% of loss / \$2,500,000 minimum per occurrence	\$500,000,000	\$2,500,000
Extra Expense & Loss in Revenue	\$2,000,000	per underlying loss	\$2,000,000	per underlying loss
Flood	\$2,000,000	\$500,000	\$2,000,000	\$500,000
Earthquake	\$2,000,000	\$500,000	\$2,000,000	\$500,000
Crime	\$100,000	\$50,000	\$100,000	\$50,000
Equipment Breakdown	\$100,000,000	\$500,000	\$100,000,000	\$500,000

FISCAL IMPLICATIONS:

Category	2024-2025	2023-2024	Premium Change	% Change
Property including Equipment Breakdown	\$4,462,999	\$2,982,031	\$1,480,968	50%
School Liability	\$274,076	\$259,108	\$14,968	6%
Auto Liability	\$183,709	\$156,990	\$26,719	17%
Auto Physical Damage	\$78,256	\$60,959	\$17,297	28%
Privacy & Information Security	\$12,500	\$7,000	\$5,500	79%
Total Property & Casualty Contribution	\$5,011,540	\$3,466,088	\$1,545,452	45%

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 the following coverages and term:

- Term: July 1, 2024, through June 30, 2025.
- \$450,000,000 per occurrence limit for All Perils including Wind, Hurricane, and Hail.
- Crime, Equipment Breakdown, School Liability, Privacy & Information Security and Violent Acts.
- Automobile coverage with liability and physical damage deductibles of \$5,000 per vehicle.
- and Loss in Revenue with a limit of \$2,000,000.
- The combined total premium with TASB for coverage referenced is **\$5,011,540**.

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: _____