



January 31, 2023

Matthew Neighbors

Galveston ISD

Dear Matthew Neighbors,

You count on a strong risk management and coverage provider to support managing operations and risk at your organization. Thank you for trusting the TASB Risk Management Fund to be that partner. The Fund's partnership with its more than 1,000 members has provided stability and financial strength for nearly five decades.

- **Strength in Sharing:** The Fund is the largest school risk-sharing pool in Texas and is led by Fund member school board trustees and administrators. The Board ensures the Fund remains financially strong and provides stability and responsiveness for all Fund members.
- **Financial Security:** With more than \$200 million in Members' Equity, the Fund has the financial strength to manage claims and respond to the impact of changing environments for members.
- **Responsive Service:** The Fund offers specialized coverage and services to meet Texas public schools' unique needs and exposures.

We are pleased to provide you with a renewal proposal for the 2022–23 coverage term. This year's renewal proposals reflect the Fund's efforts to respond to the evolving exposures and risks faced by its members. Your proposal reflects the Fund programs in which your organization participates. The following are highlights of key program changes for 2022-23:

- **Property** coverage costs continue to be driven by severe weather and increased building values. The Fund's Board of Trustees authorized use of Members' Equity to help limit the impact of cost increases for Fund members this year. Members will receive renewal options with higher weather deductibles to further reduce costs. Small and mid-size members will also have options to lower weather deductibles.
- **Auto and School Liability** rates will remain level for most members with contribution changes based on loss history and exposures. **Auto Physical Damage** claims costs continue to increase as vehicles are more costly and complex to repair. These rates will increase moderately for most members.
- **Workers' Compensation** rates will remain stable with little to no increase. Contribution changes reflect normal payroll changes and loss history. Costs remain steady even though claims have returned to pre-pandemic levels.
- Improved cyber risk management practices are paramount for all organizations as ransomware attacks and other risks increase. The Fund continues to offer affordable **Privacy & Information Security** coverage to members and will continue to provide resources to help members improve cyber security controls.

- **Unemployment Compensation** coverage is effective October 1, 2022, for all members of that program. Renewals will be issued in August with member contributions decreasing by 5%, on average.

A summary of updates and clarifications to the Fund's Property and Liability coverage terms and agreements is included in this renewal proposal. Coverage agreements can also be accessed on the Fund's website. Workers' Compensation and Unemployment Compensation coverage is statutory.

Please carefully review all terms and features of this renewal proposal. When ready, you may accept your renewal proposal by signing the Contribution & Coverage Summary and returning it by email to me or to TASBRMF@tasbrmf.org. You may also complete the electronic acceptance using the link in the renewal email sent to the designated Program Contact.

Please note, if you take no action, coverage will automatically renew under the terms of this renewal proposal. If Property coverage is included and you take no action, coverage will automatically renew at the lower weather deductible offered. If you want to terminate coverage, the Fund must receive written notice of termination at least 30 days prior to your renewal date. If you are unsure of your plans to renew or have questions about the renewal proposal or any aspect of your Fund membership, please contact Rosa Brown or any member of TASB's Underwriting and Marketing Division at 800.482.7276.

Thank you for your membership in the Fund. We look forward to our continued partnership in the coming year.

Sincerely,
Rosa Brown
Senior Risk Management Consultant
Division of Underwriting & Marketing
Texas Association of Schools Boards, Inc.

TASB Risk Management Fund
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CC:

Notification of Coverage Changes and Clarifications

Effective September 1, 2022

As a part of the annual coverage review, the TASB Risk Management Fund (Fund) implemented the following coverage changes and clarifications for all renewals taking effect on or after September 1, 2022. This document is a summary of changes and clarifications only; please carefully review the full text of all Fund Coverage Agreements and any applicable Contribution and Coverage Summary (CCS).

- No changes were made to the Automobile Liability & Physical Damage, Privacy & Information Security, or Violent Act coverage agreements.

Property Coverage Agreement

- Under Part B, § 4 **Payment for Damage**, language was added noting that when a Fund Member fails to timely elect a settlement option indicated in § 4, the member will be paid for the actual cash value (ACV) of the Covered Property as described in § 4.2.
- Under Part C, § 7.2 **Code compliance**, a clarification was added that the supplemental coverage applies to building or construction rules.
- Under Part C, § 9 **Excluded Loss**, clarifications were made allowing coverage for ensuing Loss (§§ 9.1, 9.15, 9.17, and 9.18) or further Loss (§ 9.5) when an exclusion otherwise applies.
- Under Part G, § 14 **No Transfer of Interest**, new language clarifies that the Fund Member may not transfer any interest in a Loss, payment for Loss, or claim for Loss to any third party. Additionally, the Fund Member granting an interest in the Loss to a third party suspends the Fund's obligation to make any further payment for the Loss.
- Under Part G, § 24 **Waiver and Estoppel**, a new provision is added to ensure that the parties to the agreement can enforce its contractual provisions. This addition aligns the Property Coverage Agreement with the amended Interlocal Participation Agreement that went into effect for all Fund members on May 1, 2022.

In addition to the changes to the Property Coverage Agreement described above, the Property Coverage Summary in the CCS is updated with a **Weather Perils** Limit and Deductible, which replaces Wind, Hail, and (non-coastal) Hurricane limits and deductibles. This change expands the perils to which the higher deductible applies to include convective storms and freezing temperatures. A definition of **Weather Perils** is added to the CCS.

School Liability Coverage Agreement

- Under Part A, § 3.1 **Covered Person**, a clarification was made regarding when a Fund Member student meets the Covered Person definition.
- Under Part B, § 4.1 **Grant of coverage for reported Claims**, a revision emphasizes that coverage is for reported Claims first made against the Covered Person *during the Participation Period*.





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Contribution & Coverage Summary (CCS)
Participation Period: 4/1/2023 through 3/31/2024

The following is a summary of coverages, limits, deductibles, and contribution amounts. More information about coverage, limits, deductibles, terms, and conditions are found on following pages and are part of this CCS. Please review all pages of this CCS document.

Coverage	Limit	Deductible	Contribution
Automobile Liability	\$100K Person Bodily / \$300K Occurrence Bodily / \$100K Occurrence Property	\$2,500	\$80,883
Automobile Physical Damage	Actual Cash Value	See Automobile Coverage Summary	\$28,214
School Liability including Professional Legal, General, and Employee Benefits Liability	See School Liability Coverage Summary	See School Liability Coverage Summary	\$117,659
Privacy & Information Security	\$250,000	\$0	\$3,500
Total Contribution			\$230,256

THIS IS NOT AN INVOICE. The TASB Risk Management Fund will issue an invoice when coverage is accepted by the Member. Total Contribution is an estimate and is subject to exposure audit.



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Automobile Coverage Summary Participation Period: 4/1/2023 through 3/31/2024 Total Automobile Contribution: \$109,097

The following is an overview of the limits and deductibles for risk associated with the ownership, maintenance, or use of Covered Automobiles. Additional coverages, limits, exclusions, and terms are included in the Fund’s Coverage Agreement for this Participation Period.

Coverage	Limit	Deductible
Automobile Liability	\$100K Person Bodily / \$300K Occurrence Bodily / \$100K Occurrence Property	\$2,500
Automobile Physical Damage - Collision	Actual Cash Value	\$2,500
Automobile Physical Damage - Comprehensive	Actual Cash Value	\$2,500
Automobile Physical Damage - Catastrophic	Actual Cash Value	\$50,000

Excluded Vehicles

VIN	Year	Make	Model/Description	Exclusion
None				

None

Automobile Terms & Conditions

Statement of Values: Fund Member has provided the Fund with the most current and accurate statement of values for all applicable property, including a complete and accurate listing of vehicles owned by the Fund Member. Fund Member agrees to allow the Fund to conduct property appraisals of the Fund Members’ property on a periodic basis and agrees to accept values provided by the Fund.

Salvage: The Fund will have the right, at its discretion, to exercise rights of salvage to any damaged property paid for or replaced under the terms of this Agreement.

Excluded Vehicles: The Fund extends coverage for all Fund Member Covered Automobiles. Vehicles listed are excluded from Automobile Liability, Comprehensive, or Comprehensive coverage as noted under ‘Exclusion.’



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School Liability Coverage Summary Participation Period: 4/1/2023 through 3/31/2024 Total School Liability Contribution: \$117,659

The following is an overview of the limits and deductibles for legal, general, and other liability risks. Additional coverages, limits, exclusions, and terms are included in the Fund's Coverage Agreement for this Participation Period.

Coverage	Limit	Deductible
Professional Legal Liability Subject to \$1,000,000 Maximum Annual Aggregate	\$1,000,000	\$25,000
General Liability	\$1,000,000	\$0
Employee Benefits Liability	\$100,000	\$0

School Liability Conditions

Prior Acts: Fund Member certifies that all known or reported acts for which it is reasonably believed may result in a legal claim against the Fund Member have been fully disclosed. Additionally, Fund Member acknowledges that this coverage excludes any claims arising from such known or reported acts. This Agreement does not void coverage afforded to Fund Member under any previous Fund Agreement.



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Privacy & Information Security Coverage Summary Participation Period: 4/1/2023 through 3/31/2024 Total Privacy & Information Security Contribution: \$3,500

The following is an overview of the limits and deductibles for privacy and information security risks. Additional coverages, limits, exclusions, and terms are included in the Fund's Coverage Agreement for this Participation Period.

Coverage	Aggregate Limit Per Event	Deductible
Privacy & Information Security	\$250,000	\$0

Privacy & Information Security Conditions

No Known Losses: Fund Member certifies that all known or reported events occurring prior to the effective date of this coverage, as applicable, which it is reasonably believed may result in a claim under this Coverage have been fully disclosed or reported.



Program Coordinators

The Fund Member is required to designate a Program Coordinator (Coordinator) with express authority to represent and bind the Fund Member in all program matters. Below are the current Coordinators associated with the Fund Member. If a Coordinator's name and e-mail address are not listed or the Coordinator identified needs to be updated, please provide updated information to the Fund as soon as possible or include updates on this document.

Current Program Coordinators

Program	Name	Title	E-mail

Program Coordinator Updates

Program	Name	Title	E-mail

If accepting this proposal electronically, you may scan and email this page to tasbrmf@tasbrmf.org to provide Program Coordinator updates.



Contribution & Coverage Summary General Conditions

Coverage: Coverage terms and limits provided are as set out in this CCS and the Fund’s corresponding Coverage Agreements for this Participation Period.

Claims Reporting: Fund Member will provide to the Fund timely notice of all claims as required in the Interlocal Participation Agreement, the applicable Fund Coverage Agreement, or this CCS.

Definitions: Any terms not defined in this CCS will use the definition for that term from the corresponding Fund Coverage Agreement.

Payment: The Fund Member agrees to pay contributions based on a plan developed by the Fund. All contributions are payable upon receipt of an invoice from the Fund. The Fund shall determine the contribution for each program and how each contribution is applied. Termination under this Agreement of any program shall not affect the remaining programs.

Termination: This CCS may be terminated by either party with termination to be effective on any successive renewal date by giving written notice to the other party no later than 30 days prior to automatic renewal in accordance with Termination provisions in the Interlocal Participation Agreement. If this CCS is not terminated, the renewal of the CCS becomes effective on the automatic renewal date and the member shall be bound by the terms of the renewal CCS.

Fund Member Authorization:

I approve this Contribution and Coverage Summary (CCS) and certify that this information is correct. I affirm that I am duly authorized to approve this CCS and that I have read and agree to this CCS and the Interlocal Participation Agreement.

Authorized Signature

Date

Printed Name

Title