

RISK MANAGEMENT COOPERATIVE of TEXAS

108 WILD BASIN ROAD, SUITE 100 - AUSTIN, TEXAS 78746



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July 27, 2023

HUCKABAY ISD
ATTN: WES CORZINE, Superintendent
200 County Road 421
Stephenville, TX 76401

Re: 2023-2024 RMC Renewal Quote

Dear Superintendent,

I am excited to say that the Risk Management Cooperative of Texas (RMC) is beginning its 20th year of providing services to its Member districts. We have been through lots of ups and downs through the years, a few leadership changes, and a name change or two, but we have survived because of you, our Members, and your loyalty to the program. We thank you for that! It is because of you that we can provide this year's terms for participation in the RMC effective September 1, 2023, through August 31, 2024. The RMC and its Board of Directors remain committed to the success of this program and, along with our key partners and Members, continue to look for ways to improve terms and conditions and to manage costs in this marketplace, while still ensuring that members are appropriately protected. The insurance market has experienced global record losses over the last three years, and this makes it difficult to keep costs down. The markets are demanding more and more every year because of the record losses. They continue to mandate higher limits and deductibles and in order to offer terms to pools in Texas. The following bullet points will identify for you the changes for the upcoming year.

- At the demand of the market, the wind and hail deductible has been expanded to a "Weather-Related" deductible which includes, but is not limited to hurricane, typhoon, tropical cyclone, tropical storm, tropical depression, volcanic eruption, wildfire, accumulation of snow or sleet, cold or freezing temperatures, frost, ice (other than hail), wind, hail, and lightning.
- The markets have forced many other pools in Texas to go to a 2% deductible on property claims. After weeks of negotiation, we were able to keep the "weather-related" deductible at 1% for all schools in the RMC. However, the markets demanded that we raise the minimum deductible to \$500,000 for Weather-Related claims.
- We are currently negotiating a potential buy-down option for our Member districts. Watch your email inbox for more information.
- Flood and Earthquake (per occurrence and aggregate) will be sub-limited to \$2 million dollars per Member district.
- RMC will no longer be offering high hazard flood coverage. If a Member has a building in a high hazard flood zone, the district can purchase coverage on these properties through the National Flood Insurance Program. RMC will be glad to assist with this process.
- Cosmetic damage exclusions for roofing surfaces will now include HVAC and fixed equipment.
- The appraisal process will continue but will move to only buildings that are \$1 million and over. RMC will cover the cost for appraising these buildings for one-half of the Membership each year.

If you desire to have other buildings in your district appraised, please let us know. If you were appraised last year, any increase or decrease in total property value that you see in the RMC Portal is a reflection of the appraisal process.

- As you can see in the "Market Report" that has been uploaded to the Resources tab of the RMC Portal, costs continue to increase in the world of insurance because of the record losses across the globe. Therefore, you will see in the RMC Portal that the total property insured value of your district has increased by approximately 3% and should be reflected on the district's renewal quote. This was a stipulation of the market before reinsurance coverage would be offered but was negotiated down from an initial condition of a 7% increase.
- As you all know the RMC Portal is up and running. We have had a few minor mishaps in its initial year, but overall, it seems to be very effective. We receive complements regularly about the ease of use. We hope that having the renewal process inside the Portal will make the renewal process even easier, as well. Each district should have found this Renewal Letter and Quote inside the Portal. You will be required to electronically sign the form in order to accept this Renewal Quote. Once the quote has been accepted, the coverage documents for the new year will be visible in the "Downloads" section of the Portal behind the "2023-2024 Coverage Documents" tab.

You have the option to download this Renewal Packet for your records. Please review these documents in their entirety, and let the RMC staff know if you have any questions or would like to discuss the Renewal Quote further.

In order to accept this Renewal Quote, please continue through this process in the RMC Portal to electronically sign the agreement. If you have questions about the process, please feel free to contact Keri Barnett at kbarnett@RMCoT.com or 254-485-9626.

It is a pleasure to serve as the Executive Director of the Risk Management Cooperative of Texas (RMC). We have an excellent staff who works hard to provide you with excellent service. We want you to know that we are doing our best to provide you with quality service and competitive pricing even in this incredibly hard market. We greatly appreciate the 20 years of continued loyalty and commitment to RMC. We look forward to the opportunity to continue serving you in the coming year.

Sincerely,



Shaun Barnett, Ed.D.
Executive Director, RMC of Texas

**RISK MANAGEMENT COOPERATIVE OF TEXAS
RENEWAL QUOTE 2023-2024**



HUCKABAY ISD

ATTN: WES CORZINE, Superintendent

200 County Road 421

Stephenville, TX 76401

RMC Policy No:

Proposal

July 27, 2023

Coverage Period: 9/1/2023 to 8/31/2024

Total Insured Value \$ 15,018,364

Coverages	Limits	Deductibles	Contributions
Property (Replacement Cost)			\$ 67,382
-Includes Buildings, Personal Property, Auxiliary Structures			
Weather-Related (including, but not limited to hurricane typhoon, tropical cyclone, tropical storm, tropical depression, volcanic eruption, wildfire, accumulation of snow or sleet, cold or freezing temperatures, frost, ice (other than hail), wind, hail, and lightning.)	\$ 15,018,364	1%	
Deductible is Per Unit, Per Occurrence, Subject to Minimum of		\$ 500,000	
All Other Perils	Per Occurrence \$ 15,018,364	\$ 50,000	
Flood	Per Occurrence \$ 2,000,000	\$ 100,000	
Earth Movement	Per Occurrence \$ 2,000,000	\$ 100,000	
Boiler and Machinery	15,018,364	\$ 5,000	\$ 345
Automobile			\$ 5,518
Auto Liability			
Per Person	\$ 1,000,000	\$ 1,000	
Per Occurrence	\$ 1,000,000	\$ 1,000	
Property Damage	\$ 1,000,000	\$ 1,000	
Auto Physical Damage			
Comprehensive / Collision - Auto		\$ 1,000	
Comprehensive / Collision - Bus		\$ 2,500	
Wind / Hail - 5 or more vehicles per occurrence - Auto		\$ 2,500	
Wind / Hail - 5 or more vehicles per occurrence - Bus		\$ 5,000	
General Liability		\$ 2,500	\$ 1,426
Per Occurrence	\$ 1,000,000		
Annual Aggregate	\$ 2,000,000		
Employee Benefits Liability	Per Claim	\$ 2,500	
Law Enforcement Liability	Per Occurrence	\$ 10,000	
Sexual Abuse and Molestation	Per Claim	\$ 10,000	
Educators' (School Board) Legal Liability			\$ 1,514
Per Claim	\$ 1,000,000	\$ 5,000	
Annual Aggregate	\$ 2,000,000		
Crime	\$ 250,000	\$ 2,500	\$ 378
Cyber Liability	\$ 250,000	\$ 5,000	\$ 1,049

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RENEWAL QUOTE 2023-2024**



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Stephenville, TX 76401**

**RMC Policy No: Proposal
July 27, 2023**

Coverage Period: 9/1/2023 to 8/31/2024

TOTAL CONTRIBUTION DUE

\$ 77,613