



Gregory-Portland Independent School District

BOARD MEMORANDUM

TO: DR. MICHELLE CAVAZOS

FROM: DR. ISMAEL GONZALEZ III

CC: BOARD OF TRUSTEES
DR. ISMAEL GONZALEZ III
DEBORAH GARZA
DR. MICHAEL NORRIS
PENNY ARMSTRONG

DATE: Monday March 24, 2025

SUBJECT: Discuss and Take Possible Action on Renewal of Property & Casualty Insurance.

PRIORITIES

PRIORITY 1: EXCEPTIONAL STUDENT PERFORMANCE

N/A

PRIORITY 2: HIGH PERFORMING AND ENGAGED WORKFORCE

N/A

PRIORITY 3: QUALITY SERVICE AND IMPACTFUL COMMUNITY ENGAGEMENT

N/A

PRIORITY 4: EFFICIENT AND EFFECTIVE DISTRICT AND CAMPUS OPERATIONS

4.3 Ensure Strategic Alignment of Resources

BACKGROUND INFORMATION:

The District is seeking to renew with McGriff, Seibels & Williams to continue to serve as the agent to represent the District in customizing programs to suit our needs, settle any claims, ensure that our policies meet requirements and assess the condition of our buildings and value its risk. The District continued to search the market, in the off-season, and seek the best coverage and value for all insurance coverages. In checking in with other coastal school districts, we had a favorable policy in

comparison to our counterparts. In addition, our agent preliminarily reported, The District's premium rate (per \$1 of building value) will be reduced by 28% for the coming term. The premium will be reduced to \$1,798,001 despite increasing the District's Total Insured Values by 27% to \$275 Million associated with the new construction projects. The renewal has not been received as of 3/20/2025. GPISD had a Total Insured Value of \$216,091,237 and selected to insure for \$100 Million loss limit in 2023 and a \$75 loss limit in 2024. This comes with a Named Windstorm deductible of 3% subject to a \$500,000 minimum and the Boiler and machinery Coverage in the amount of \$6,107. Each of the past two years, the District received one proposal from McGriff, Seibels & Williams of Texas Inc. They gave us options of insuring for \$100 Million, \$75 Million, or \$50 Million. Our premium was \$2,081,000.86 in 2023 and \$1,818,732 (+\$461,738 when the ECC and Agriscience became part of our coverage) in 2024. In the near future, the All-Purpose Indoor Practice Facility and the 2023 Bond projects will further affect the property value. The market is being described as improving as more capital is coming into the Insurance Industry. Property Insurance is cyclical. The current term expires April 15, 2025.

Dr. Ismael Gonzalez III, Assistant Superintendent for Business-Finance & Operations and Chris Casarez, Purchasing Coordinator have studied the market, met with agents and negotiated the upcoming premium with McGriff, Seibels & Williams.

McGriff has been the District's insurance agent for the past nine (9) years. It is recommended by the current Agent that we do not cover for full value and have only been given the option to insure up to \$100 Million per occurrence each of the past three (3) years. Many school districts and businesses have gone to this method as prices increase and the possibility of complete and total destruction to a property is not probable. For FEMA assistance in an occurrence that extends beyond insurance limits, they are requiring that the entity make a reasonable effort to cover their property.

Gregory-Portland ISD Property Insurance Claims

2017-18 (Hurricane Harvey): \$7,250,000

2018-19: 0

2019-20: 0

2020-21: 0

2021-22: 0

2022-23: 0

2023-24: 0

2024-25: 0

RECOMMENDATION:

Administration recommends approval of renewing Property Insurance with McGriff, Seibels & Williams.

FINANCIAL IMPACT:

2024-25 Property & Casualty Insurance Policy cost the District \$1,798,001.

BOARD RELATED POLICY:

CH (LEGAL)

CRB (LEGAL)

ACTION ITEM SUGGESTED MOTION (if applicable):

That the board accept administrations recommendation to approve and award a contract to McGriff, Seibels & Williams for a total amount of \$1,798,001 to serve as the District's agent for Property and Casualty Insurance effective April 15, 2025.