



**Board of Trustees**  
**Regular Board Meeting**  
**July 25, 2019**

**RE: Consider Recommendation to Approve Property Casualty Insurance for the 2019-2020 School Year.**

Dear Trustees,

Property Casualty Insurance has been provided by Property Casualty Alliance of Texas (PCAT) through an Interlocal Agreement, fulfilling our purchasing requirements under Texas Education Code, Chapter 44, Subchapter B, Section 44.031.

PCAT Interlocal Agreement was formed under the Interlocal Cooperative Act, Chapter 791 of the Texas Government Code to provide member districts lowest long-term cost for property and casualty coverage, rate and coverage stability, proactive loss prevention and cash dividends. PCAT coverage includes Property, Boiler & Machinery, Auto Physical Damage, Inland Marine, Electronic Data Processing Equipment, Crime, General Liability, Auto Liability, Educator's Legal Liability, Cyber Suite and Employment –Practices Liability.

PCAT is offering 2 year or 3 year addendums at the attached renewal option rates. The 2 and 3 year addendums have an opt-out clause if the member rate and/or deductible increase by more than 10%. NAS is offer 3 renewal options as requested by the Board at increase deductible rates. Please see attached.






It is my recommendation the Bellville ISD Board of Trustees approves PCAT to a two year agreement for our Property Casualty Insurance at the Option that best meets the district's needs.

Sincerely,






Dennis Jurek  
Assistant Superintendent of Finance and Operations  
Bellville Independent School District



Bellville ISD Property & Casualty Insuranc  
2019 Renewal Summary

	Expiring	Expiring	Renewal Option #1	Renewal Option #2	Renewal Option #3
	9/1/2018 Exposures @ 2018 Rates	9/1/2019 Exposures @ 2018 Rates	9/1/2019 - 2020	9/1/2019 - 2020	9/1/2019 - 2020
					
<b>Property</b>					
Buildings & Contents Values	\$70,855,400	\$80,232,980	\$80,232,980	\$80,232,980	\$80,232,980
Deductibles					
Wind & Hail	\$100,000 per occurrence	\$100,000 per occurrence	\$100,000 per occurrence	\$200,000 per occurrence	\$500,000 per occurrence
All Other Perils	\$5,000	\$5,000	\$5,000	\$5,000	\$100,000
Equipment Breakdown	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Flood	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
<b>General Liability</b>					
Limits					
ADA	2,241	2,196	2,196	2,196	2,196
Each Occurrence	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Deductibles					
General Liability	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Law Enforcement Liability	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
<b>Auto Fleet</b>					
# Vehicles for Liability	51	54	54	54	54
Cost New for Auto Physical Damage	\$3,178,733	\$3,370,875	\$3,370,875	\$3,370,875	\$3,370,875
Limits					
Combined Single Limit (Bodily Injury & Property Damage)	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Deductibles					
Bodily Injury & Property Damage	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
<b>Educator's Legal Liability</b>					
Limits					
Cov A - Prof Educational Services	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Cov B - Employment Practices Liability	Combined w/Cov A	Combined w/Cov A	Combined w/Cov A	Combined w/Cov A	Combined w/Cov A
Cov C - Non Monetary Damages	\$100,000 per claim / \$300,000 Aggregate	\$100,000 per claim / \$300,000 Aggregate	\$100,000 per claim / \$300,000 Aggregate	\$100,000 per claim / \$300,000 Aggregate	\$100,000 per claim / \$300,000 Aggregate
Deductibles					
Coverage A	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000



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	9/1/2018 Exposures @ 2018 Rates	9/1/2019 Exposures @ 2018 Rates	9/1/2019 - 2020	9/1/2019 - 2020	9/1/2019 - 2020
					
<b>Cyber Suite Limits</b>					
Per Occurrence	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
<b>Deductibles</b>					
Per Occurrence	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
<b>Sublimits</b>					
Cyber Extortion	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Computer Fraud	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Misdirected Payment Fraud	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Data Compromise Liability	Included in General Aggregate Limit	Included in General Aggregate Limit	Included in General Aggregate Limit	Included in General Aggregate Limit	Included in General Aggregate Limit
Network Security Liability	Included in General Aggregate Limit	Included in General Aggregate Limit	Included in General Aggregate Limit	Included in General Aggregate Limit	Included in General Aggregate Limit
<b>Premium Summary</b>					
Property	\$92,525	\$104,784	\$135,907	\$123,407	\$110,907
Equipment Breakdown	\$2,905	\$3,290	\$3,530	\$3,290	\$3,530
General Liability & EE Benefits Liability	\$2,336	\$2,289	\$2,073	\$2,289	\$2,073
Educator's Legal Liability	\$6,696	\$6,562	\$7,300	\$6,562	\$7,300
Automobile Liability	\$22,971	\$24,322	\$19,640	\$24,322	\$19,640
Auto Physical Damage	\$14,101	\$14,953	\$10,728	\$14,953	\$10,728
CyberSuite	\$1,149	\$1,373	\$1,373	\$1,373	\$1,373
Property Valuations	Included	Included	Included	Included	Included
Facility Surveys	Included	Included	Included	Included	Included
Driver Training	Included	Included	Included	Included	Included
Employee Web-Based Training	Included	Included	Included	Included	Included
<b>Annual Premium</b>	<b>\$142,683</b>	<b>\$157,573</b>	<b>\$180,551</b>	<b>\$176,196</b>	<b>\$155,551</b>
Multi-Year Proposal?			3 Years	3 Years	3 Years
<b>Max Wind &amp; Hail Deductible</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$200,000</b>	<b>\$500,000</b>
<b>Premium + Maximum Wind &amp; Hail Deductible</b>	<b>\$242,683</b>	<b>\$257,573</b>	<b>\$280,551</b>	<b>\$376,196</b>	<b>\$655,551</b>

\*1 Year coverage available for additional 10% annual premium

**Bellville ISD**

1. PCAT and **Bellville ISD** (Member) agree that Member will be a PCAT Member for the 2019-2020 through the 2020-2021 Participation Period. The rates in effect for each Participation Period will be applied to any changes in exposure during each Participation Period, and these rates will be the basis for determining the Contributions due PCAT for each period. Member agrees to an annual rate adjustment, up or down, beginning 9/1/2020 that will reflect the actual percentage change in total PCAT funding rates, defined as the change in rates to fund for reinsurance and pool retained losses. A certified document of these changes will be provided by PCAT to the Member.
2. This Interlocal Addendum along with the most recently signed Interlocal Agreement shall represent the entire agreement and may not be amended or altered without the written consent of both parties.
3. If Member terminates this Addendum prior to 8/31/2021, a short-term cancellation penalty of twenty percent (20%) of Annualized Contributions for the 2019-2020 Participation Period will be due from Member and payable to PCAT within 30 days after notice of termination is received.
4. **Member Opt-Out Clause:** If future reinsurance terms or catastrophic losses cause an unanticipated change in PCAT's funding model that result in a Member rate and/or deductible increase of more than 10%, then the Member will have the option to reject the renewal and be released from this Addendum with zero penalty cost.

**This Addendum must be executed prior to September 1, 2019.**

The undersigned agrees to this Addendum.

\_\_\_\_\_  
**Bellville ISD** Authorized Signature

\_\_\_\_\_  
 PCAT Board Member

\_\_\_\_\_  
 Printed Name

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Date

**Non-Appropriations Clause:** This Addendum is subject to the appropriation of funds by Member in its budget adopted for any fiscal year for the specific purpose of making payments pursuant to this Addendum for that fiscal year. The obligation of Member pursuant to this Addendum in any fiscal year for which this Addendum is in effect shall constitute a current expense of Member for that fiscal year only, and shall not constitute an indebtedness of Member of any monies other than those lawfully appropriated in any fiscal year. In the event of non-appropriation of funds in any fiscal year to make payments pursuant to this Addendum, this Addendum may be terminated.

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