

ADMINISTRATIVE REPORT

DATE: August 21, 2025
TOPIC: 5.12 – Property & Liability Insurance Renewal
PRESENTER: Kris Blackburn, Director of Business Services
REFERENCE TO POLICY/STATUTE: Policy 701

A. PURPOSE OF REPORT

- a. Each year, the District reviews its property and liability insurance and proposed renewals in coordination with our broker, MarshMcLennan Agency. Administration seeks board approval when a significant change is proposed.
- b. For the period July 1, 2025 through June 30, 2026, the District has renewed its cyber liability with Beazley and its general liability, automobile and other insurances with The Hanover Insurance Company.
- c. The District's existing property insurance carrier, Affiliated FM, proposed increases to all deductibles, the most significant of which was to wind/hail deductibles from \$50,000 per location to \$500,000 per location.
- d. In response, the district entered into a short-term extension with Affiliated FM for the period July 1, 2025 through September 1, 2025. During this time, multiple alternatives were considered including other deductible options with the current carrier, a deductible buy-down option, and other carriers.
- e. The most advantageous option is a change in carrier to Chubb for an insurance premium cost of \$749,997. Their proposal offers wind/hail deductibles of \$100,000 per location at all locations except East Ridge High School with a deductible of \$250,000; water damage deductible of \$100,000; and an all other loss deductible of \$50,000.

B. RECOMMENDATION

- a. Administration recommends approval of the property insurance with Chubb as the carrier for the period September 1, 2025 – August 31, 2026.





SOUTH WASHINGTON COUNTY SCHOOLS
SCHOOL BOARD
7362 East Point Douglas Rd S.
Cottage Grove, MN 55016

- C. CONNECTION TO STRATEGIC PRIORITY**
- a. Operations, Staffing, and Finance
 - b. Engagement and Partnerships

