



# SOUTHGATE INDEPENDENT SCHOOL DISTRICT

Renewal Proposal for Property & Casualty Insurance Coverage

Effective: July 1, 2024

Expiration: July 1, 2025



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Risk Management  
an **accretive** company

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**NAMED INSURED**

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**NAMED INSURED AND MAILING ADDRESS**

**Southgate Independent School District  
6 William F Blatt Street  
Newport, KY 41071**

*This proposal contains most terms, conditions, limits and deductibles provided under the program. However, refer to the BRM Coverage Document for specific and complete terms and conditions.*

**PREPARED BY**

**WORLD**  
Risk Management

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an **accretive** company

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## PROGRAM HIGHLIGHTS

# KENTUCKY

Owned by members.  
Governed by members.  
Service to members.

## Introducing a new Risk Management Insurance Program built exclusively for Kentucky Schools.

### Program Coverage:

- Liability: \$10M per occurrence
  - Auto liability
  - Abuse & molestation
  - School board legal liability
- Violence
- Property
  - Earthquake \$10M per occurrence
  - Flood \$10M per occurrence
- Crime
- Cyber

### Services:

- Legal help desk
- In service bus driver training
- Playground inspections
- Facilities inspections
- Staff training on trending topics

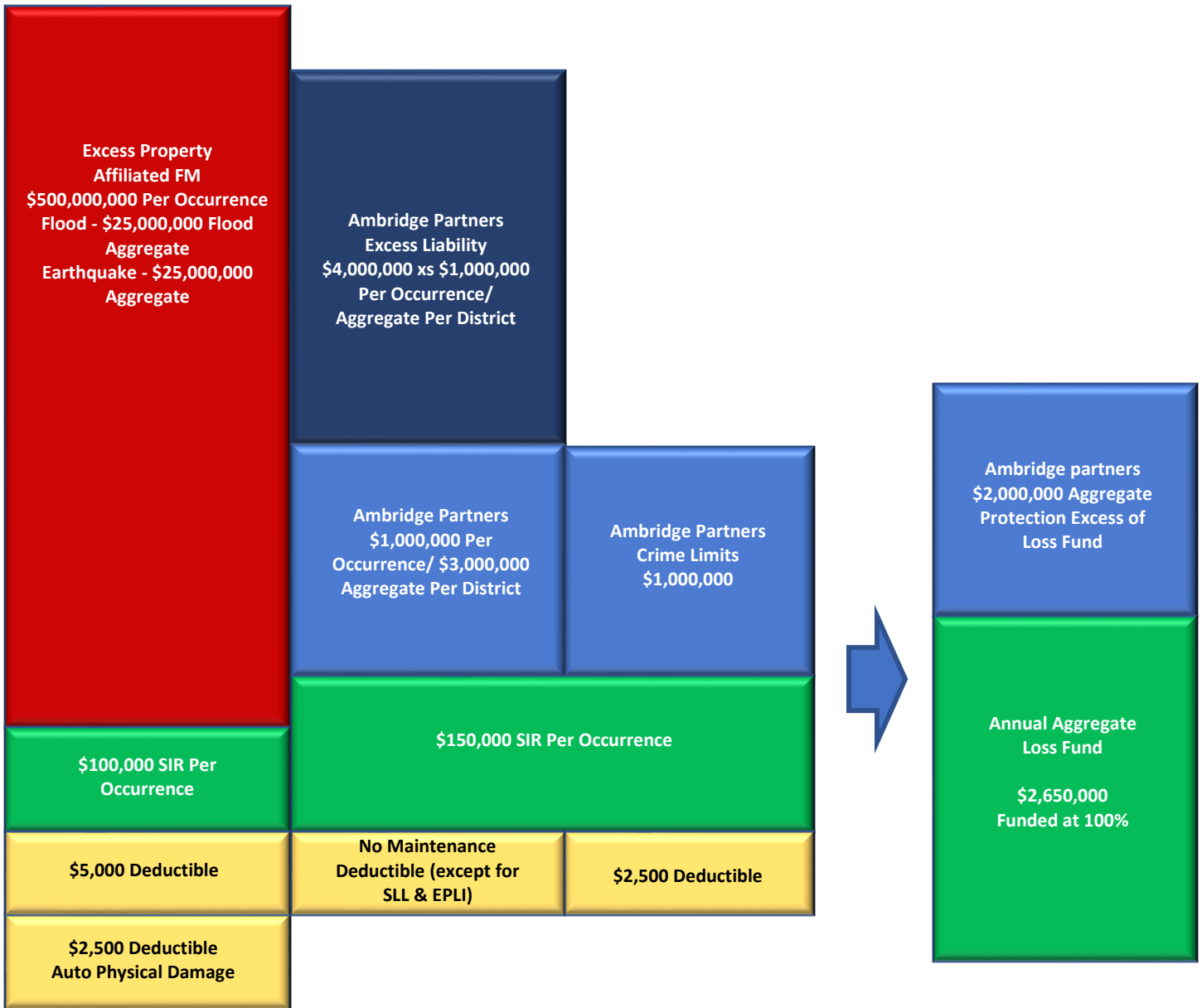
### Advantages of Joining the Program

- Member governance & control
- Not for profit organization, leftover funds belong to the members
- Provide long-term stability
- Reduced, stable rate structure, due to non-profit operations and large spread of risk
- More control over claims and process
- Investment of funds
- Share best practices & allocate resources
- Retain a portion of the groups predictable losses
- Transfer a portion of the catastrophic risk
- Broaden your insurance program coverage
- Increase your program limits
- Budget a stable, known annual maximum cost
- Save upfront premium dollars
- School districts become less reliant on the insurance market



**SELF-INSURED COVERAGES**

2024 - 2025 Program Structure  
 \$150,000 Self-Insured Retention – Liability  
 \$100,000 Self-Insured Retention - Property



Property, Extra Expense,  
Mobile Equipment, Auto  
Physical Damage

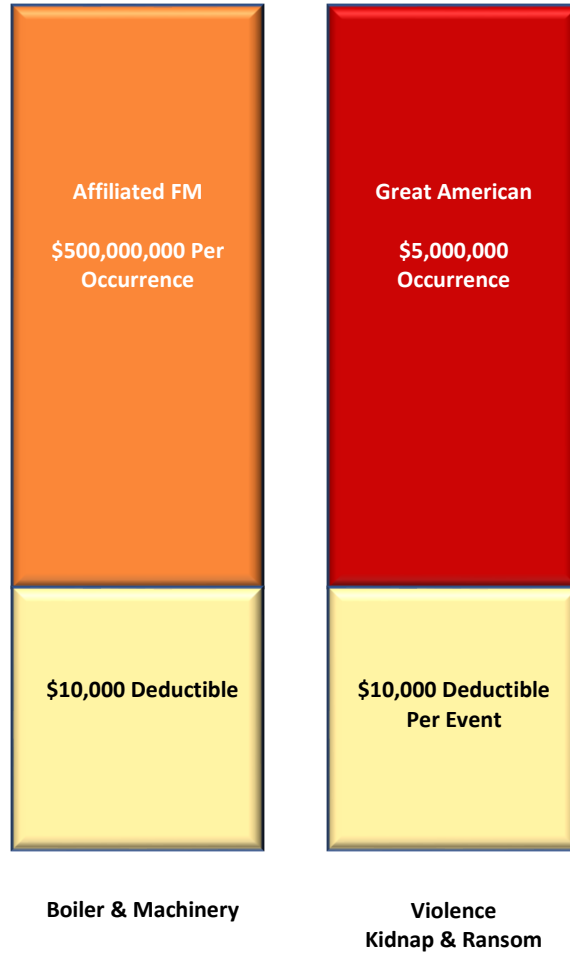
General, Automobile,  
Employee Benefit Liability,  
Law Enforcement Liability,  
School Leaders Legal  
Liability, Employment  
Practices Liability

Crime Coverage



– FIRST DOLLAR COVERAGE

2024 – 2025 First Dollar Structure Graph





**PROPERTY**

	PROPERTY	
	INCUMBENT RENEWAL 07/01/2024 TO 07/01/2025	BRM RENEWAL 07/01/2024 TO 07/01/2025
<b>COMPANY</b>	LIBERTY MUTUAL	AFFILIATED FM
<b>TOTAL INSURABLE VALUES</b>	\$9,879,901	\$9,832,521
<b>DEDUCTIBLES</b>		
▪ PROPERTY	\$2,500	\$5,000
▪ AUTO PHYSICAL DAMAGE	\$2,500	✓
▪ FLOOD	N/A	\$100,000 PER LOCATION
▪ EARTHQUAKE	10% Subject to \$100,000 Min	\$250,000 PER LOCATION
▪ WINDSTORM & HAIL	\$100,000 Per Location	✓
▪ WATER DAMAGE	\$50,000 Per Location	\$100k Per Loc (Eng Rec- Lower to \$50k)
<b>VALUATIONS</b>		
• PROPERTY, APD – BUSES 5 YEARS OLD OR NEWER	REPLACEMENT COST	✓
▪ AUTOS OLDER THAN 5 YEARS & CONTRACTORS EQUIPMENT	ACTUAL CASH VALUE	✓
<b>ASSOCIATION LIMITS</b>		
▪ POLICY LIMIT – BUILDINGS, PERSONAL PROPERTY & ELECTRONIC DATA PROCESSING	\$9,879,901	\$500,000,000
▪ BUSINESS INCOME	NONE	POLICY LIMIT
▪ EARTH MOVEMENT	POLICY LIMIT	\$25,000,000
▪ FLOOD	NOT COVERED	\$25,000,000

✓ PER EXPIRING

CHANGE OR IMPROVEMENT TO EXPIRING



**PROPERTY**

	PROPERTY	
	INCUMBENT COVERAGE 07/01/2024 TO 07/01/2025	RENEWAL 07/01/2024 TO 07/01/2025
<b>ASSOCIATION SUBLIMITS</b>		
▪ ACCOUNTS RECEIVABLE	\$250,000	\$1,000,000
▪ ARSON REWARD	\$50,000	\$100,000
▪ DATA RESTORATION	None	\$500,000
• CONTRACT PENALTIES	\$25,000	\$100,000
▪ DEBRIS REMOVAL	\$1,000,000	\$500,000,000
▪ DECONTAMINATION COSTS	None	Included
▪ DEMOLITION AND INCREASED COST OF CONSTRUCTION	\$5,000,000	\$500,000,000
▪ ERRORS AND OMISSIONS	\$250,000	\$2,500,000
▪ EXPEDITING EXPENSES	\$250,000	✓
▪ EQUIPMENT BREAKDOWN	Included	✓
▪ STUDENT/TEACHER PERSONAL PROPERTY	\$100,000 (Student Only) \$5,000 Per Student	\$100,000 \$10,000 PER STUDENT/TEACHER
▪ EXTRA EXPENSE	\$5,000,000	✓
▪ FINE ARTS - IRREPLACEABLE FINE ARTS	\$100,000 \$10,000 per item	\$250,000 \$10,000 per item
▪ MONEY AND SECURITIES	None	\$100,000
▪ NEWLY ACQUIRED PROPERTY	\$2,500,000	✓
▪ OFF PREMISES SERVICE	\$250,000 (Transmission Lines Excluded)	\$500,000
▪ PROPERTY UNDER CONSTRUCTION	\$500,000	\$5,000,000
▪ PROTECTION AND PRESERVATION OF PROPERTY	\$100,000	\$1,000,000
▪ TERRORISM	TRIA Optioned	✓
▪ TRANSIT	\$100,000	\$500,000
▪ UNNAMED PROPERTY	\$100,000	\$1,000,000
▪ VALUABLE PAPERS AND RECORDS	\$250,000	\$500,000

✓ PER EXPIRING

**CHANGE OR IMPROVEMENT TO EXPIRING**





**GENERAL LIABILITY**

	GENERAL LIABILITY	
	INCUMBENT COVERAGE 07/01/2024 TO 07/01/2025	RENEWAL 07/01/2024 TO 07/01/2025
<b>COMPANY</b>	LIBERTY MUTUAL	AMBRIDGE PARTNERS
<b>COVERAGE</b>	OCCURRENCE	✓
▪ GENERAL LIABILITY	CLAIMS MADE – 7/1/2004	✓
▪ EMPLOYEE BENEFITS LIABILITY	CLAIMS MADE – 7/1/2019	✓
▪ LAW ENFORCEMENT LIABILITY	CLAIMS MADE – 7/1/1992	✓
▪ SEXUAL HARASSMENT & ABUSE LIABILITY		✓
<b>DEDUCTIBLES</b>	NONE	NONE
• GENERAL LIABILITY	\$1,000	
• EMPLOYEE BENEFITS LIABILITY	\$5,000	
• LAW ENFORCEMENT LIABILITY	\$5,000	
• SEXUAL HARASSMENT & ABUSE LIABILITY	\$5,000	
<b>LIMITS</b>		
LIMIT OF LIABILITY	\$1,000,000 / \$2,000,000	\$1,000,000 / <b>\$3,000,000</b>
<b>COVERAGE</b>		
▪ EMPLOYEE BENEFITS LIABILITY	\$1,000,000 / \$3,000,000	✓
▪ LAW ENFORCEMENT LIABILITY	\$1,000,000 / \$1,000,000	✓
▪ SEXUAL HARASSMENT & ABUSE LIABILITY	\$1,000,000 / \$1,000,000	✓
▪ VIOLENCE EVENT RESPONSE COVERAGE	\$1,000,000	<b>\$5,000,000</b>

✓ PER EXPIRING

**CHANGE OR IMPROVEMENT TO EXPIRING**



**AUTO LIABILITY**

	AUTO LIABILITY	
	INCUMBENT COVERAGE 07/01/2024 TO 07/01/2025	RENEWAL 07/01/2024 TO 07/01/2025
<b>COMPANY</b>	LIBERTY MUTUAL	AMBRIDGE PARTNERS
<b>COVERAGE FORM</b>	OCCURRENCE	OCCURRENCE
<b>LIMITS</b>		
Limit of Liability	\$2,000,000	✓
<b>COVERAGE</b>		
<ul style="list-style-type: none"> <li>▪ PHYSICAL DAMAGE               <ul style="list-style-type: none"> <li>- COLLISION</li> <li>- COMPREHENSIVE</li> </ul> </li> </ul>	ACTUAL CASH VALUE ACTUAL CASH VALUE	COVERED UNDER PROPERTY COVERED UNDER PROPERTY
▪ HIRED/BORROWED LIABILITY	INCLUDED	✓
▪ PERSONAL INJURY PROTECTION	\$20,000	✓
▪ NON-OWNED LIABILITY	INCLUDED	✓
▪ MEDICAL PAYMENTS	N/A	\$5,000
▪ UNINSURED/UNDERINSURED MOTORISTS	\$1,000,000	✓
▪ GARAGEKEEPERS LEGAL LIABILITY	INCLUDED	✓
▪ REPLACEMENT COST BUSES 5 YEARS OR NEWER	INCLUDED	✓

✓ PER EXPIRING

**CHANGE OR IMPROVEMENT TO EXPIRING**



**SCHOOL BOARD LEGAL & EMPLOYMENT PRACTICES LIABILITY**

SCHOOL BOARD LEGAL & EMPLOYMENT PRACTICES LIABILITY		
	INCUMBENT COVERAGE 07/01/2024 TO 07/01/2025	RENEWAL 07/01/2024 TO 07/01/2025
<b>COMPANY</b>	LIBERTY MUTUAL	AMBRIDGE PARTNERS
<b>VALUATION</b>		
▪ FORM	CLAIMS MADE	✓
▪ RETRO DATE	7/1/2004	✓
<b>DEDUCTIBLE</b>		
▪ DEDUCTIBLE	\$5,000	✓
<b>COVERAGE</b>		
▪ EACH LOSS / AGGREGATE	\$1,000,000 / \$1,000,000	✓
▪ EMPLOYMENT PRACTICES VIOLATION	\$1,000,000/\$1,000,000	✓
▪ NON-MONETARY RELIEF DEFENSE COVERAGE	\$100,000	✓

✓ PER EXPIRING

**CHANGE OR IMPROVEMENT TO EXPIRING**



**EXCESS LIABILITY**

	EXCESS/UMBRELLA LIABILITY	
	INCUMBENT COVERAGE 07/01/2024 TO 07/01/2025	RENEWAL 07/01/2024 TO 07/01/2025
<b>COMPANY</b>	LIBERTY MUTUAL	AMBRIDGE PARTNERS/OLD REPUBLIC
<b>UNDERLYING COVERAGE</b>		
▪ GENERAL LIABILITY	✓	✓
▪ EMPLOYEE BENEFITS LIABILITY	✓	✓
▪ LAW ENFORCEMENT LIABILITY	✓	✓
▪ SEXUAL ABUSE LIABILITY	✓	✓
▪ AUTO LIABILITY	✓	✓
▪ SCHOOL LEADERS E&O	✓	✓
▪ EMPLOYMENT PRACTICES	✓	✓
<b>LIMITS</b>		
LIMIT OF LIABILITY	\$1,000,000 / \$1,000,000	\$10,000,000 / \$10,000,000
<b>UNDERLYING SCHEDULE</b>		
<b>LINE OF COVERAGE</b>	<b>EXCESS OF LIMITS</b>	<b>EXCESS OF LIMITS</b>
▪ GENERAL LIABILITY	\$1,000,000	✓
▪ EMPLOYEE BENEFITS LIABILITY	\$1,000,000	✓
▪ LAW ENFORCEMENT LIABILITY	\$1,000,000	✓
▪ SEXUAL ABUSE LIABILITY	\$1,000,000	✓
▪ AUTO LIABILITY	\$2,000,000	✓
▪ SCHOOL LEADERS E&O	\$1,000,000	✓
▪ EMPLOYMENT PRACTICES	\$1,000,000	✓
<b>COVERAGE/TERMS</b>		
▪ LAW ENFORCEMENT RETRO DATE	7/1/2019	✓
▪ SCHOOL LEADERS E&O RETRO DATE	7/1/2004	✓
▪ EMPLOYMENT PRACTICES RETRO DATE	7/1/2004	✓

✓ PER EXPIRING

**CHANGE OR IMPROVEMENT TO EXPIRING**



**CRIME**

	CRIME	
	INCUMBENT COVERAGE 07/01/2024 TO 07/01/2025	RENEWAL 07/01/2024 TO 07/01/2025
<b>COMPANY</b>	LIBERTY	AMBRIDGE PARTNERS
<b>DEDUCTIBLES</b>	\$1,000	\$2,500
<b>LIMITS [INCLUDING BUT NOT LIMITED TO]</b>		
MONEY AND SECURITIES	\$50,000	\$1,000,000
FORGERY OR ALTERATION	\$50,000	\$1,000,000
EMPLOYEE DISHONESTY	\$50,000	\$1,000,000
COMPUTER THEFT	\$50,000	\$1,000,000
<b>CONDITIONS [INCLUDING BUT NOT LIMITED TO]</b>		
▪ EXTENDED PERIOD TO DISCOVER LOSS	60 Days	✓
▪ DUTIES IN THE EVENT OF A LOSS	INCLUDED	✓
▪ PROOF OF LOSS	INCLUDED	✓
<b>VALUATION [INCLUDING BUT NOT LIMITED TO]</b>		
• MONEY	FACE VALUE	✓
• SECURITIES	ACTUAL CASH VALUE	✓
• PROPERTY OTHER THAN MONEY AND SECURITIES	THE LESSER OF: ACV OR THE COST TO REPAIR OR REPLACE	✓

✓ PER EXPIRING

**CHANGE OR IMPROVEMENT TO EXPIRING**



## CARRIER RATINGS AND ADMITTED STATUS

PROPOSED INSURANCE COMPANIES	A.M. BEST'S RATING & FINANCIAL SIZE CATEGORY	ADMITTED/NON-ADMITTED
Affiliated FM	A+ XV	Admitted
Underwriters at Lloyd's London	A XV	Non-Admitted
Old Republic	A XV	Non-Admitted
Great American Insurance	A+ XV	Admitted

\*World Risk Management uses A.M. Best rated insurers and the rating listed above was verified on the date the proposal document was created.

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\*\*If coverage placed with a non-admitted carrier, it is doing business in the state as a surplus lines or non-admitted carrier, and is neither subject to the same regulations as an admitted carrier nor do they participate in any state insurance guarantee fund.

WRM makes no representations and warranties concerning the solvency of any carrier, nor does it make any representation or warranty concerning the rating of the carrier which may change.



**PROPOSAL PRICING & BINDING AUTHORITY**

SOUTHGATE INDEPENDENT SCHOOL DISTRICT	PREMIUM BREAKDOWN		
	2024 – 2025 LIBERTY RENEWAL	2024 – 2025 BRM	% CHANGE
PROPERTY	INCLUDED	INCLUDED	
EQUIPMENT BREAKDOWN	INCLUDED	INCLUDED	
CRIME	INCLUDED	INCLUDED	
GENERAL LIABILITY	INCLUDED	INCLUDED	
AUTO LIABILITY	INCLUDED	INCLUDED	
LAW ENFORCEMENT LIABILITY	INCLUDED	INCLUDED	
OHIO STOP GAP/EMPLOYERS LIABILITY	INCLUDED	INCLUDED	
SCHOOL BOARD LEGAL/EMPLOYMENT PRACTICES	INCLUDED	INCLUDED	
UMBRELLA/EXCESS LIABILITY	INCLUDED	INCLUDED	
VIOLENCE COVERAGE	INCLUDED	INCLUDED	
<b>TOTAL MEMBER CONTRIBUTION</b>	<b>\$52,404</b>	<b>**\$42,000</b>	<b>(-19.2%)</b>

\* Member's Loss Funds are calculated by BRM's 3<sup>rd</sup> party actuary, Pinnacle Actuarial Resources, Inc. It is based upon your district's 5-year claims history and exposures (property, students, and vehicles).

**THIS WARRANTS THAT YOU HAVE NO KNOWLEDGE OF ANY CLAIM, OR INCIDENT THAT MAY RESULT IN A CLAIM, THAT HAS NOT BEEN REPORTED TO THE INSURANCE CARRIER.**

**IT IS UNDERSTOOD AND AGREED THAT REFERENCED PROPOSAL PROVIDES ONLY A SUMMARY OF THE INSURANCE PROGRAM OPTIONS OFFERED. THE ACTUAL POLICIES WILL CONTAIN THE COMPLETE TERMS, CONDITIONS, DEDUCTIBLES, EXCLUSIONS, ETCETERA. PLEASE REVIEW POLICY LANGUAGE FOR A FULL UNDERSTANDING OF PURCHASED PROGRAM.**

\_\_\_\_\_  
 Member Signature

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Print Member Name

**SIGNED BINDING AUTHORITY TO BE RETURNED BY 06/15/2024**

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**\*\*SUBJECTIVITIES**

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**THE PROPOSAL PRESENTED FOR BLUEGRASS RISK MANAGEMENT IS SUBJECT TO THE  
FOLLOWING SUBJECTIVITIES:**

- 1. FORMAL APPROVAL FROM THE DEPARTMENT OF INSURANCE FOR THE STATE OF KENTUCKY – FORMAL LICENSE FOR PROGRAM APPROVED AND RELEASED. (THIS IS IN PROCESS AND HAS BEEN APPROVED, WORKING THROUGH FINAL PAPERWORK WITH DOI)**
- 2. APPROVAL FROM AFFILIATED FM (PROPERTY REINSURER) – MAY BE SUBJECT TO ENGINEERING VISIT BEFORE 7/1**
- 3. COMPLETED BLUEGRASS RISK MANAGEMENT RENEWAL APPLICATION**
- 4. THIS PROGRAM NEEDS A MINIMUM NUMBER OF SCHOOL DISTRICTS TO JOIN IN ORDER TO LAUNCH PROGRAM IN INAUGURAL YEAR. THIS WILL BE BASED UPON SIZE/SCOPE OF HOW MANY MEMBERS WOULD LIKE TO JOIN.**
- 5. 5 FOUNDING BOARD MEMBERS DETERMINED AMONG THE MEMBERSHIP**
- 6. SIGNED BYLAWS AND JPA AGREEMENT FOR BRM.**