

A black and white photograph of three children standing in front of a chalkboard. The child on the left is a girl with long dark hair in a braid, wearing a patterned shirt. The child in the middle is a smaller child with dark hair in pigtails, wearing a light-colored shirt. The child on the right is a boy with long blonde hair, wearing a dark t-shirt. They are all writing multiplication problems on the chalkboard. The problems are $4 \times 2 = 8$, $3 \times 9 =$, and $4 \times 3 = 12$.

Clay County School District Property and Casualty Renewal Update

Arthur J Gallagher Risk Management Services, LLC

Presented by:

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As of June 17, 2025



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State of the Market

Property

- The hard property market began to ease in the first half of 2024 and rates began declining in Q3 and Q4
- The expansion of insurance capacity, across most industry segments, and throughout shared and layered programs is resulting in increased competition
- Policy terms are generally stable with greater consistency across policies – pressure continues to increase deductibles
- Insurers' strong financial performance and reinsurance market stability is fueling both increased risk appetite and capacity deployment
- While most accounts are experiencing flat rates or rate decreases, certain industry segments are facing increased scrutiny
- Events generating above average losses could impact the current trend. We are keeping an eye on the potential impact of the L.A. wildfires which were recently estimated to be a \$50-60B insured loss event
- While we are seeing small to mid double-digit reductions in property, much of that depends on the increases in the last two years.
- Continued scrutiny on buildings constructed prior to 2000. Buildings built to recent wind standards are being favored by the marketplace.

Note: These general market observations are provided as a high-level guide for overall expectations, but actual results are highly dependent on individual account performance and historical profitability with insurers.



State of the Market

Casualty

- **General Liability:** A more moderate market is emerging with minimal rate increases anticipated unless driven by loss individual experience. This line should be fairly stable in 2024.
- **Auto Liability:** This line continues to see rate increases, particularly on excess limits, which insurers are looking to manage due to outsized verdicts in many jurisdictions
- **Sexual Abuse and Molestation:** Coverage continues to be difficult to place with limits being slashed and retentions increasing.
- **School Leaders Errors & Omissions and Employment Practices:** The marketplace continues to see nominal rate increases with some carriers implementing new restriction. Federal claims continue to drive many of the losses in these coverages. Influences include the uncertainty of jury awards, social inflation, third party litigation as well as changes to tort protections.
- **Excess Workers Compensation:** No new insurers entering this market segment. As rates have risen, a little more competition amongst the few players in this space. While claims frequencies continue declining, catastrophic claims continue to grow at unprecedented rates, primarily driven by increased medical costs and enhanced medical technologies.
- **Cyber:** Cyber claims activity picked up again in the second and third quarters. The MOVEit hack caused widespread ransomware losses, however this line is seeing moderate rate reductions. The CrowdStrike software glitch has also caused concern amongst insurers.

Note: These general market observations are provided as a high-level guide for overall expectations, but actual results are highly dependent on individual account performance and historical profitability with insurers.



Renewal Exposures

Property Exposures	2024-2025	2025-2026	Diff
Building/Walkways and Portables	\$1,183,501,927	\$1,489,239,982	26%
Miscellaneous	\$3,058,405	\$3,058,405	0%
Personal Property (Furniture & Equipment)	\$34,739,358	\$34,739,358	0%
Software	\$3,255,705	\$3,255,705	0%
Audiovisual	\$1,306,635	\$1,306,635	0%
Vehicles	\$37,206,332	\$37,206,332	0%
Seats & Scoreboards	\$5,717,669	\$7,107,279	24%
Total	\$1,268,786,031	\$1,575,913,695	24%

Casualty Exposures	2024-2025	2025-2026	Diff
GOE	\$363,964,548	\$381,919,548	5%
Total Payroll	\$247,719,092	\$229,635,598	-7%
Students	37,226	41,546	12%
Vehicles	670	646	-4%
Employees	5,394	5,000	-7%



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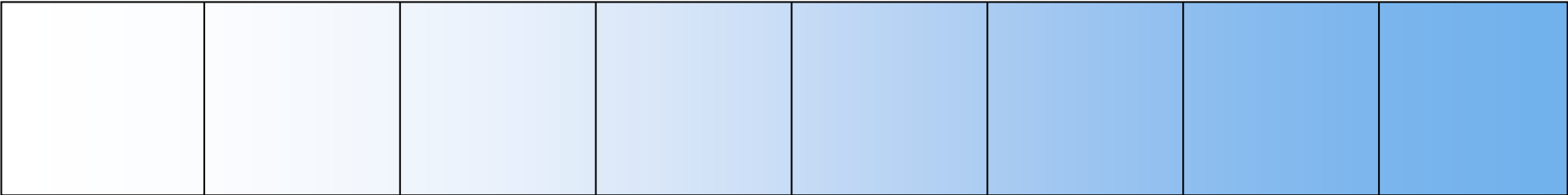
Marketing Highlights

- ❖ 42 companies/programs approached on your behalf
- ❖ Leveraged relationships and market capacity to obtain best pricing and coverage available in current market conditions
- ❖ 15 provided quotes/indications for various lines and layers of coverage. Many carriers still reviewing your submission
- ❖ Considered various retention levels, limits, and sublimits to provide the District a comprehensive and cost effective risk management program

Risk Management Control Continuum

Less Control

Greater Control



- Conventional Insurance Program
- Safety Dividend Program
- Large Deductible Retro-Plan
- Protected Self-insurance (Aggregate Protection)
- Specific Excess Insurance (No Aggregate)
- Rent-A-Captive
- Captive or RRG
- Pure Self-Insurance

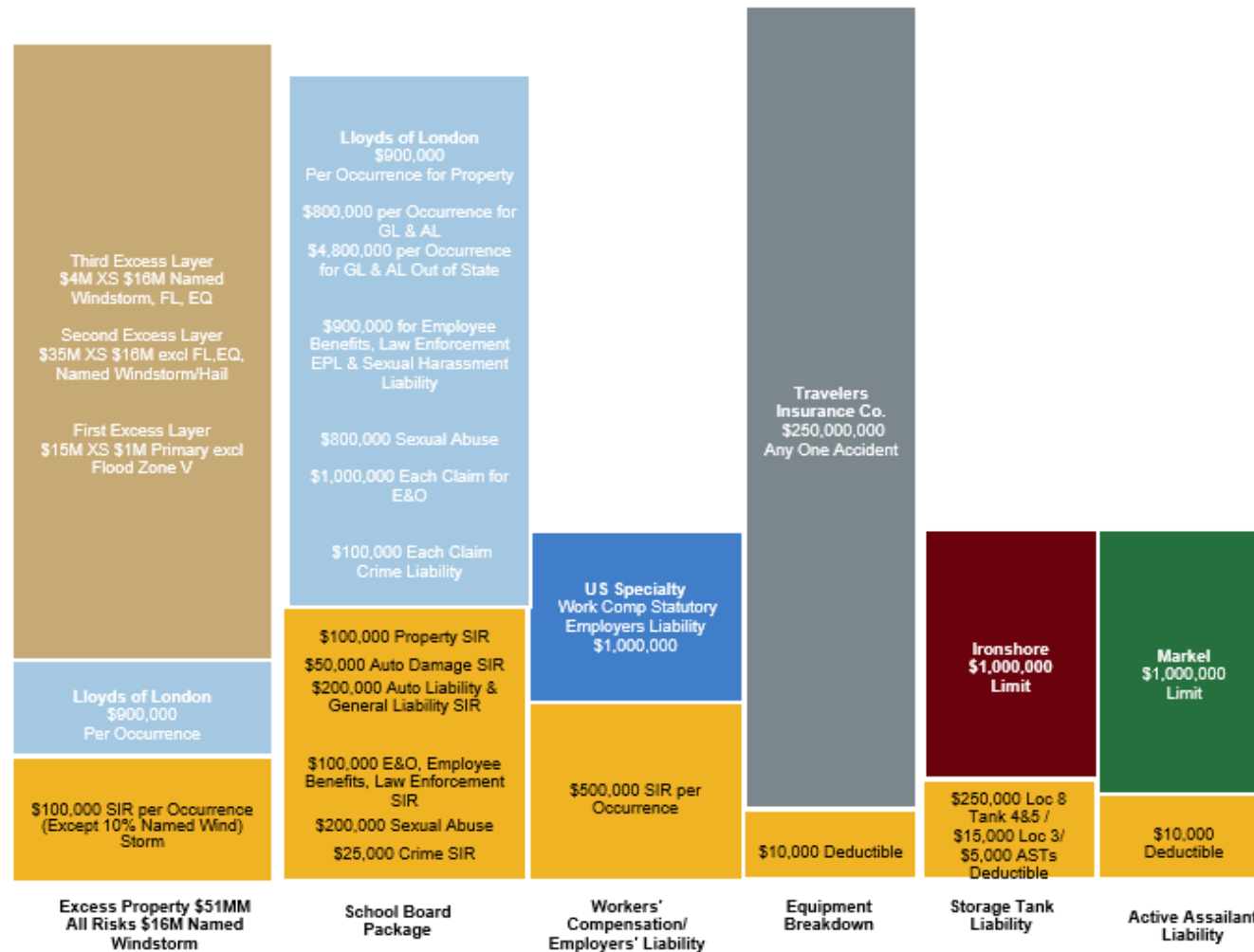
Clay County
District Schools

2025-2026 Property and Casualty Program



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Please note that coverages are not drawn to scale and actual policy verbiage should be consulted for coverage terms and conditions

Premium Summary



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	#1	#2	#3
	Expiring	Renewal	Increasing Excess WC SIR to \$600,000
Description	2024-2025	2025-2026	2025-2026
School Board Package	\$489,950	\$579,000	\$579,000
Excess Property	\$1,247,812	\$1,274,245	\$1,274,245
Active Assailant	\$30,000	\$30,000	\$30,000
B&M	\$21,285	\$24,776	\$24,776
Excess WC	\$159,779	\$148,115	\$130,892
Storage Tank	\$5,272	\$5,530	\$5,530
Student Accident	\$12,049	\$12,776	\$12,776
Special Risk	\$44,148	\$26,500	\$26,500
Total Cost before fees	\$2,010,295	\$2,100,942	\$2,083,719
Florida Surcharges/ FEMA Fees	\$251	\$288	\$288
TRIA	\$158	\$166	\$166
AJG Risk Management Fee	\$60,000	\$60,000	\$60,000
Total Cost after fees	\$ 2,070,704	\$2,161,396	\$2,144,173
Total ▲ over expiring (\$)		\$90,692	\$73,469
Total ▲ over expiring (%)		4.38%	3.55%

Important Notes Regarding Your Renewal

1. The School Boards program has been marketed to ensure that pricing and coverage are consistent with market conditions;
 - 42 Markets approached,
 - 15 Quotes received,
 - Several markets still reviewing submission.
2. Renewal rates have improved significantly year over year and are competitive in the market; Workers Compensation rate is Flat. Excess Property rate has decreased 18%, while property values increased 24%
3. Premium increases are due to the 24% TIV increases
4. Column #1 is the Expiring Program
5. Column #2 is the renewal program. All terms, conditions, limits, retentions remain the same
6. Column # 3 increases the Excess Workers Compensation SIR from \$500,000 to \$600,000. Every other policy remains the same