

ROBERT V. REIM COMPANY

INSURANCE CONSULTING
BID MANAGEMENT



SCHOOL INSURANCE NEWSLETTER

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The U.S. Property Insurance Market

Prior to 2020 the United States averaged 7.9 billion-dollar-damage weather disasters each year. The average for the last three years has been 20 billion-dollar-plus, and as of September 2023, the United States has already set an unfortunate record of 23 billion-dollar-plus, with over a quarter of the year still to come. [NOAA](#)

While the natural disasters we're most likely to hear about in the news include hurricanes – like Hurricane Idalia, which made landfall in Florida on Aug. 29 – or devastating wildfires – like the Hawaii Fire Storm, which caused \$5.5 billion in damage on the island of Maui in early August – a great deal of climate-related damage is caused by wind, flooding and hail from severe storms.
Property Casualty 360

The Texas Property Insurance Market

Districts across the State were shocked with the increase in their insurance premium. Even worse, reinsurance renewal pricing was not available timely. Districts did not have time to get other proposals and were forced to accept whatever the insurer offered; in some cases, the premium increases were close to 50%. Unfortunately, 2024 will not show any improvement in pricing.

Premiums Take Double Hit

In addition to increased rates, insurers are requiring increased replacement cost valuations. If your provider does not afford appraisals, these are samples of square foot replacement costs from schools across the state:

Replacement Values	HS Hi/Lo	MS Hi/Lo	ES Hi/Lo
1,000,000,000 plus	\$352/\$261	\$289/\$231	\$285/\$249
350,000,000-1,000,000	\$295/\$237	\$244/\$221	\$240/\$224
Less than 300,000,000	\$276/\$231	\$251/\$204	\$250/\$211

Set your renewal calendar **NOW**, allowing five months for the entire process including the preparation of Board documents.

Inflatable Amusements

With the start of school and as the weather gets cooler, booster clubs and districts are planning outdoor events. Often Inflatables, bouncy houses, are considered. Such inflatables are subject to State of Texas strict rules. Go to the [FAQs](#) on our website for complete information.

While you are there be sure to view some of the other Risk Management articles. These FAQs were prepared to answer questions from districts.