



Howard Lake-Waverly-  
Winsted Public Schools



## COMMERCIAL INSURANCE PROPOSAL

**Prepared For:** Howard Lake Waverly Winsted ISD 2687  
PO Box 708  
Howard Lake MN 55349

**Policy Term:** 11/17/2025 - 11/17/2026

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Flagship Insurance Services, Inc. is a privately held organization and considers all information contained herein to be proprietary.



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# COMMERCIAL PACKAGE

## PROPERTY COVERAGE

Item#	Description /Location	Coverage	25-26	Hanover	Selective
			90% Values	1% W/H Deductible	Flat W/H Deductible
1-1	MAWSECO	Building	8,681,895	86,819	250,000
1-1	(720 9th Ave, Howard Lake)	Contents	73,910	739	
2-1	Humprey Elem School	Building	7,890,204	78,902	250,000
2-1	(803 Elm Ave, Waverly)	Contents	568,095	5,681	
2-3	Storage	Building	27,423	274	
2-3		Contents	8,367	84	
2-5	Portable classrooms	Building	655,690	6,557	
3-1	Winsted Elem.	Building	8,278,335	82,783	250,000
3-1	(431 4th St N, Winsted)	Contents	596,040	5,960	
3-2	Storage	Building	7,986	80	
3-3	Portable Classrooms	Building	753,163	7,532	
4-1	High School/Middle School	Building	48,128,087	481,281	750,000
4-1	(8700 Cty Rd 6, Howard Lake)	Contents	3,465,222	34,652	
4-2	Bus Garage	Building	1,249,962	12,500	75,000
4-3	Storage shed (fball/track)	Building	42,762	428	75,000
4-4	Stadium/ball fields/playground	PIO	279,071	2,791	75,000
4-5	FFA Shed	Building	43,606	436	75,000
4-5		Contents	7,747	77	
4-8	High tunnel	Building	4,098	41	75,000
4-9	High tunnel	Building	20,490	205	75,000
4-10	Track surface/edge drain	PIO	438,693	4,387	75,000
5-1	Greenhouse	Building	114,971	1,150	75,000
5-1	Greenhouse	Contents	6,508	65	
6-2	Farm site - Barn	Building	42,877	429	2% W/H (858)
6-3	Farm site - Pole Shed	Building	37,517	375	2% W/H (750)

Property is insured on Blanket basis to allow us to shift limits in event of a loss

\$81,342,326 Blanket and Contents Limit

1% Wind/Hail Deductible

\$25,000 All Other Perils Deductible

Special Causes of Loss include Theft

Replacement Cost Coverage (except for Farm Site Buildings)

Cosmetic Damage Exclusion on Roofing for Bus Garage & Farm Site Buildings

**GENERAL LIABILITY COVERAGE****LIMIT**

General Aggregate	2,000,000
Products/Completed Operations Agg.	Included
Each Occurrence	1,000,000
Personal/Advertising Injury	1,000,000
Damage to Premises Rented to You	100,000
Medical Expense	15,000

**Employee Benefits Liability**

Each Employee	1,000,000
1,000 Deductible	
Aggregate	3,000,000

**Sexual Misconduct or Molestation Liability**

Each Incident	1,000,000
Aggregate	1,000,000

**Classifications**

Schools – Elementary, Kindergarten, Junior High	228 Students
Schools – Elementary, Kindergarten, Junior High	393 Students
Schools – Elementary, Kindergarten, Junior High	394 Students
Schools – High School	425 Students
Schools – Faculty Liability	182 Members

*\*Annual audit may be conducted.*

## PROFESSIONAL LIABILITY COVERAGE

### School and Educators Legal Liability

Claims Made

**SELL Retroactive Date:** 11/17/2017

**D&O Retroactive Date:** 11/17/2017

#### Limits of Insurance:

**Aggregate Limit:** \$1,000,000

**Each Loss Limit:** \$1,000,000

**Deductible:** \$15,000

**Deductible Type:** Loss and Defense Expenses

### Educational Institution Employment Practices Liability Endorsement - School and Educators Legal Liability

Defense Expense Outside Limits with Third Party Coverage

**Retroactive Date:** 11/17/2017

#### Limits of Insurance:

**Aggregate Limit:** \$1,000,000

**Employment Practices 'Wrongful Employment Act' Limit:** \$1,000,000

**Deductible Each 'Wrongful Employment' Act :** \$15,000

**Deductible Type:** Loss and Defense Expenses

<b>INLAND MARINE COVERAGE</b>	<b>LIMIT</b>	<b>DEDUCTIBLE</b>
EDP – Hardware & Software	343,175	500
Contractor’s Equipment	163,675	1,000
Educational Institutional Misc. Property		1,000
School Band Uniforms, Choir Robes, Similar and Related Property	50,000	
School Athletic Equipment, Uniforms, Similar and Related Equipment	50,000	
School Musical Instruments, Similar and Related Equipment	175,000	
School Cameras, Projection Machines, Films, Similar and Related Equipment	50,000	
Dwellings Under Construction by Vocational Shop Classes	100,000	

## COMMERCIAL AUTOMOBILE

COVERAGE	LIMIT
Liability	1,000,000
Basic PIP	
Uninsured Motorist	1,000,000
Underinsured Motorist	1,000,000
Hired and Non-Owned Liability	1,000,000

VEHICLE	COMP	COLL
2008 Ford F150	500	500
2010 Dodge Grand Caravan	--	--
2012 Chevrolet Malibu	500	500
2014 American Trailer	500	500
2020 Ram 2500	500	500
2013 Ram 2500	--	--

- *Liability Only on 2010 Caravan & 2013 RAM*

## CYBER LIABILITY

<b>LIMITS</b>	<b>OPTION #1</b>
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<b>Breach Response</b>	
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Notified Individuals:	100,000
Legal, Forensic & Public Relations/Crisis Mgmt:	\$1,000,000

**THE BREACH RESPONSE LIMITS ABOVE ARE IN ADDITION TO THE POLICY AGGREGATE LIMIT OF LIABILITY**

<b>Policy Aggregate Limit of Liability:</b>	\$1,000,000
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<b>Additional Breach Response Limit</b>	
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Additional Breach Response Limit:	\$1,000,000
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<b>First Party Loss</b>	
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Business Interruption Loss:	
<i>Resulting from Security Breach:</i>	\$1,000,000
<i>Resulting from System Failure:</i>	\$1,000,000
Dependent Business Loss:	
<i>Resulting from Dependent Security Breach:</i>	\$100,000
<i>Resulting from Dependent System Failure:</i>	\$100,000
Cyber Extortion Loss:	\$1,000,000
Data Recovery Costs:	\$1,000,000

<b>Liability</b>	
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Data & Network Liability:	\$1,000,000
Regulatory Defense & Penalties:	\$1,000,000
Payment Card Liabilities & Costs:	\$1,000,000
Media Liability:	\$1,000,000

<b>eCrime</b>	
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Fraudulent Instruction:	\$250,000
Funds Transfer Fraud:	\$250,000
Telephone Fraud:	\$250,000

<b>Criminal Reward</b>	
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Criminal Reward:	\$50,000
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<b>RETENTIONS</b>	<b>OPTION #1</b>
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<b>Breach Response</b>	
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Legal, Forensic & Public Relations/Crisis Mgmt:	\$5,000; \$1,000 for Legal
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<b>Each Incident, Claim, or loss:</b>	\$10,000
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## PREMIUMS

Policy	2024-25 Expiring	2025-26 Selective	2025-26 Hanover	2025-26 EMC
Package				
Property	78,480	87,417	82,417	105,604
General Liability	14,898	22,001	17,310	13,880
Professional Liability	11,090	3,612	11,090	11,310
Equipment	1,638	1,143	1,660	1,845
Automobile	8,933	5,689	9,363	6,141
Cyber ( <i>Beazley</i> )	4,400	4,670	4,670	4,670
\$1M Umbrella	0	13,367	6,216	3,246
<b>TOTAL PREMIUM</b>	<b>\$119,440</b>	<b>\$ 137,622</b>	<b>\$ 132,726</b>	<b>\$ 146,696</b>

## COMMENTS/RECOMMENDATIONS

- Hanover has revised their offer to lower the deductible structure to a **1% Wind/Hail Deductible** on the renewal. The Property section of the proposal shows how the deductible would be applied to each building for **ONLY** a Wind or Hail claim. All claims other than Wind/Hail would have a deductible of \$25,000. Hanover included cosmetic damage exclusion to the Farm Site buildings & the bus garage building.
- Quotes have been received from EMC Insurance and Selective Insurance. EMC Insurance conducted an on-site property inspection at all 4 district buildings. The EMC quote results in a higher premium than Hanover & Selective.
- The final quote from Selective results in a total premium of \$137,622, a competitive premium. The deductible structure offered by Selective is a \$250,000 flat Wind/Hail deductible for MAWSECO & the Elementary's and a \$750,000 flat Wind/Hail deductible for the HS/MS building. Selective would also require an onsite property & loss control survey visit if the decision is made to move to Selective.

## COMMENTS/RECOMMENDATIONS

- Liberty Mutual provided quote, however, their premiums are not competitive at a total premium is \$185,619.
- Optional \$1,00,000 Umbrella Liability policy would be an annual premium of \$6,216 with Hanover. The Umbrella premium is included in the total Hanover premium above. The District currently does not have an Umbrella policy. The Umbrella policy provides additional liability coverage over the General Liability, Professional Liability, Auto Liability & Workers Compensation coverage if/when those policy limits are exhausted.
- **Recommendation as of 11/10/25:** renew coverages with Hanover as quoted including the \$1M Umbrella policy. Also renew coverages with Beazley for Cyber Liability.

**DISCLAIMER:** This report is intended for informational purposes only and is not intended to provide an exhaustive policy description. Please refer to official policy documents for more detail, and if a discrepancy exists between this document and official policy documents, the provisions in the policy documents shall prevail.

## BROADENING ENDORSEMENT FORMS

### Gold Property Broadening Endorsement

Scheduled Coverages	Limits of Insurance	Amended Limits of Insurance	Page
1. Back up or Overflow of a Sewer, Drain or Sump	Included	N/A	4
2. Brands and Labels	Included	N/A	4
3. Broadened Building Coverage	Included	N/A	4
4. Broadened Business Personal Property	Included	N/A	5
5. Business Income and Extra Expense – Dependent Properties	\$150,000	\$	5
6. Business Income and Extra Expense – Lease Cancellation	\$50,000	\$	6
7. Business Income and Extra Expense – Transit	\$75,000	\$	7
8. Business Personal Property In Storage Units	Included	N/A	7
9. Business Personal Property In Transit	\$100,000	\$	7
10. Business Personal Property Off Premises	\$250,000	\$	8
11. Catastrophe Allowance	\$50,000	N/A	8
12. Computer and Funds Transfer Fraud	\$50,000	\$	9
13. Consequential Loss to Stock	Included	N/A	10
14. Contract Penalties	\$50,000	\$	10
15. Debris Removal	\$250,000	\$	10
16. Denial of Access to Premises	30 Days 72 Hour Waiting Period	N/A	11
17. E-Commerce	\$50,000	\$	11

18. Electronic Data Processing Equipment	Included	N/A	12
19. Employee Theft including ERISA Compliance	\$250,000	\$	13
20. Employee Tools and Work Clothing	\$25,000	\$	15
21. Expediting Expense	\$50,000	\$	16
22. Extended Business Income	180 Days	N/A	16
23. Extended Coverage on Property – within 2,000 feet	Included	N/A	16
24. Extra Expense	\$300,000	\$	17
25. Fire Protection Equipment Recharge	Included	N/A	18
26. Food Contamination	\$25,000	\$	18
– Additional Advertising Expense	\$3,000	\$	
27. Forgery or Alteration	\$100,000	\$	19
28. Foundations and Underground Pipes	Included	N/A	19
29. International Air Shipments	\$50,000	\$	20
30. Inventory and Loss Appraisal	\$250,000	\$	20
31. Key Replacement and Lock Repair	\$20,000	\$	20
32. Leasehold Interest	\$150,000	\$	21
33. Lessor's Tenant Move Expenses	\$50,000	\$	21
34. Marring and Scratching	Included	N/A	22
35. Money and Securities	\$50,000	\$	22
36. Money Orders and Counterfeit Money	\$50,000	\$	23
37. Newly Acquired or Constructed Property			
– Building	\$2,000,000	\$	24
– Business Personal Property	\$1,000,000	\$	24
38. Newly Acquired Locations – Business Income and Extra Expense	\$250,000	\$	25
39. Non-Owned Detached Trailers	\$25,000	\$	25
40. Ordinance or Law			25
– Coverage A	Included	N/A	26
– Coverage B and C	\$500,000	\$	26
41. Pollutant Clean-Up and Removal	\$100,000	\$	28
42. Preservation of Property	90 Days	N/A	29
43. Preservation of Property – Expenses	\$50,000	\$	29
44. Prototypes	Included	N/A	29
45. Rewards	\$75,000	\$	29
46. Sales Representative Samples	\$25,000	\$	30
47. Soft Costs	\$25,000	\$	30
48. Temporary Relocation of Property	\$100,000	\$	30
49. Theft Damage to Building	Included	N/A	30
50. Undamaged Tenants Improvements and Betterments	\$50,000	\$	31
51. Underground Water Seepage	\$50,000	N/A	31
52. Unintentional Property Reporting Errors	\$500,000	N/A	32
53. Unnamed Locations	\$150,000	\$	32
54. Utility Services – Direct Damage	\$100,000	\$	32

Utility Services – Business Income and Extra Expense	\$100,000	\$	33
55. Voluntary Parting	\$50,000	\$	33
56. Water Damage, Other Liquids, Powder or Molten Material Damage	\$50,000	\$	34
57. Windblown Debris	\$10,000	\$	34
58. Worldwide Business Personal Property Off Premises	\$75,000	\$	34

**Blanket Limit of Insurance \$500,000**

The Blanket Limit of Insurance applies for each occurrence to all Scheduled Blanket Coverages shown below unless an Amended Limit of Insurance is shown. At the time of loss, you may apportion the Blanket Limit of Insurance to any combination of the Scheduled Blanket Coverages without an Amended Limit of Insurance, but under no circumstances will the aggregate apportionment be permitted to exceed the Blanket Limit of Insurance. When an Amended Limit of Insurance is shown for any of the Scheduled Blanket Coverages, those coverages are not included within the Blanket Limit of Insurance and the Amended Limit of Insurance is the most we will pay for those coverages.

Scheduled Blanket Coverages	Amended Limits of Insurance	Page
1. Accounts Receivable	\$	34
2. Deferred Payments	\$	35
3. Fine Arts	\$	35
4. Fire Department Service Charge	\$	36
5. Movement of Property	\$	36
6. Outdoor Property	\$	36
7. Personal Effects and Property of Others	\$	37
8. Research and Development Documentation	\$	37
9. Valuable Papers and Records	\$	38

**EDUCATIONAL INSTITUTIONS PROPERTY BROADENING ENDORSEMENT**

Scheduled Coverages	Limits of Insurance	Amended Limits of Insurance	Page
1. Automated External Defibrillators	\$5,000	\$	2
2. Broadened Building Coverage	Included	N/A	2
3. Business Income and Extra Expense - Fundraising Events	\$50,000	\$	2
4. Emergency Evacuation Expense	\$25,000	\$	2
5. Glass Showcases	\$2,500	\$	2
6. Paved Surfaces	\$100,000	\$	3
7. Personal Effects of Students	\$100,000	\$	3
8. Real Property of Others Required by Contract	\$5,000	\$	3
9. Special Settlement Provisions			
- Agreed Value Coverage (Losses Less Than \$25,000)	Included	N/A	3
- Replacement Cost – Leased Personal Property	Included	N/A	
10. Spoilage			
- On Premises	\$25,000	N/A	3
- In Transit	\$5,000	N/A	