



ALEDO ISD BOARD MEETING TEMPLATE

MEETING DATE: August 17, 2026

AGENDA ITEM: Consider Approval of Addendum to Interlocal Agreement between Property Casualty Alliance of Texas and Aledo Independent School District

PRESENTER: Earl Husfeld, Chief Financial Officer

BACKGROUND INFORMATION:

- Since May 12, 2004, the District has purchased its property and casualty coverage from Property Casualty Alliance of Texas (PCAT).
- PCAT is a member owned and governed program that was created to provide member districts with a strategy to achieve the lowest long-term cost for property and casualty coverage via rate and coverage stability and proactive loss prevention.
- PCAT provides risk management solutions for over 170 Texas school districts. It is the largest school risk management program in the United States devoted exclusively to property and casualty exposures.
- As the Board and Administration discussed during the August 10, 2026 budget workshop and August 17, 2026 board meeting, PCAT is offering its members a 3-year Interlocal Addendum (Addendum) for the September 1, 2026 to September 1, 2029 time period.
- This Addendum will provide the District a level of “protection” against large rate increases during this period of time. As stated in the Addendum, “if future reinsurance terms or catastrophic losses cause an unanticipated change in PCAT’s funding model that result in a member rate increase of more than 10%, then the member will have the option to reject the renewal and be released from this Addendum with zero penalty cost.”
- The following Addendum to the Interlocal Agreement between Property Casualty Alliance of Texas and Aledo Independent School District is provided for your information and review.

FISCAL INFORMATION:

None

ATTACHMENTS:

Addendum to Interlocal Agreement between Property Casualty Alliance of Texas and Aledo Independent School District

ADMINISTRATIVE RECOMMENDATION:

The Administration recommends the Board of Trustees approve the Addendum to Interlocal Agreement between Property Casualty Alliance of Texas and Aledo Independent School District as presented.