

**PROSPECT HEIGHTS SCHOOL DISTRICT 23**  
**DISTRICT 23 FINANCE COMMITTEE MEETING**  
TUESDAY, JUNE 2, 2026  
GRODSKY ADMINISTRATION BUILDING  
700 N SCHOENBECK RD  
PROSPECT HEIGHTS, IL 60070 at 6:00 PM

*Engage ALL students in experiences that inspire EACH to grow as learners, individuals, and community members.*

**AGENDA**

I. Call to Order

II. Discussion Items

A. Financial Reporting to the Committee

Amy will provide an update on the YTD revenues & expenditures as we wrap up the 2026 fiscal year.

B. Replacement of MacArthur Kiln

Following a number of Fire Marshall citations, the Ross kiln is being decommissioned and eliminated. The MacArthur kiln will be replaced due to the advanced age and obsolete parts.

C. Replacement of the Sullivan Intercom System

Slated for FY27, the Sullivan intercom is the last to be replaced with a new hybrid system, allowing for integration with some of our current technology. This "end of life" replacement has been included on our "Projects Managed by the District" sheet that has been reviewed on a monthly basis.

D. Builders Risk Insurance

Builders risk insurance is a specialized type of property insurance designed to protect buildings and structures while they are under construction or renovation. The District has worked with the SSCIP Cooperative to secure this additional coverage for the Eisenhower project. It covers the physical structure, construction materials, and on-site equipment against unexpected losses from events like fire, theft, vandalism, and severe weather.

E. SELF - Workers Compensation Insurance Renewal

Following an audit of our payroll and enrollment, all District provided numbers have been verified, resulting in a 10.2% reduction in premium for the 2026-27 Workers Compensation renewal.

III. Adjournment

**DISTRICT ORGANIZATIONAL GOALS**

- **Student Success:** Ensure ALL students are well rounded and emotionally and academically prepared for success in high school.
- **Teaching, Learning, and Innovation:** Encourage a learning environment that emphasizes excellence and retains high quality staff.
- **Family and Community Partnership:** Actively engage and communicate with all families to foster collaborative relationships that benefit student learning and understanding of district priorities.
- **Facilities & Financial Planning:** Advance effective use of resources to support safe, learner ready facilities and to maximize student learning.

# ESTIMATE

CHICAGO KILN SERVICE, Inc  
2312 Wing St  
Rolling Meadows, IL 60008

carl@chicagokilnservice.com  
+1 (847) 436-0919  
www.chicagokilnservice.com



**Bill to**  
Prospect Heights S.D. 23  
Accounts Payable  
700 N. Schoenbeck Rd.  
Prospect Heights, IL 60070

**Ship to**  
Prospect Heights S.D. 23  
Luis A. Gonzalez  
700 N. Schoenbeck Rd.  
Prospect Heights, IL 60070

**Shipping info**  
Ship date: 01/08/2024

**Estimate details**  
Estimate no.: 28639  
Estimate date: 03/13/2026

**Sales Rep:** carl  
terms: net 30

#	Product or service	Description	Qty	Rate	Amount
1.	<b>2827D</b>	Cone Art 2827D. GX controller. round	1	\$7,940.00	\$7,940.00
2.	<b>School Discount</b>	School Discount. 10% on new kilns	1	-\$794.00	-\$794.00
3.	<b>industrial kit</b>	Industrial thermocouples (S-model) and control relays (solid state).	1	\$2,250.00	\$2,250.00
4.	<b>2827 fk</b>	2827 furniture kits	1	\$545.00	\$545.00
5.	<b>1437/500-NP6</b>	1437/500-NP6. Vent system	1	\$2,000.00	\$2,000.00
6.	<b>Freight</b>	Factory freight. Hood and kiln.	1	\$1,100.00	\$1,100.00
7.	<b>hand delivery</b>	Delivery to kiln room. No dock at school	1	\$500.00	\$500.00
8.	<b>set-up</b>	equipment set-up and installation. final electrical and vent connections	1	\$600.00	\$600.00

**Total** **\$14,141.00**

## Note to customer

10 Cubic foot top loading kiln. Hood model ventilation. Industrial thermocouples and control relays.

Kiln requires: electrical by other.  
208 volt, 3ph, 50 amp breaker  
6 gauge wire  
service disconnect. Kiln is hard wired.

Ventilation requires: Hood model to collect heat and fumes. 500 CFM into vent duct already in room.

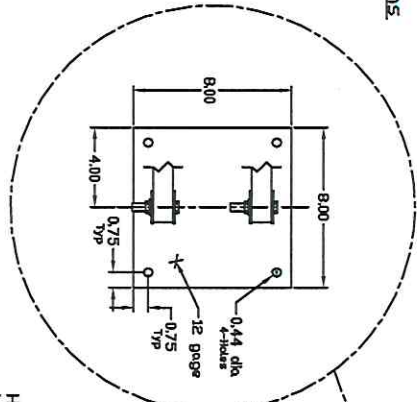
**Accepted date**

**Accepted by**

**Model 1122, 1227, 1332 & 1437-SWB (NP) Negative Pressure Specification**

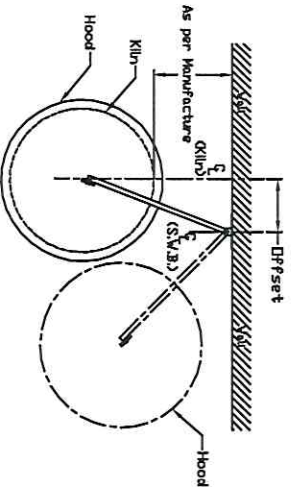
The Vent-A-Kiln model 1122-NP-SWB, 1227-NP-SWB, 1332-NP-SWB & 1437-NP-SWB negative pressure ventilation systems shall include a conical metal spun aluminum hood tapering to a 5 1/2" diameter exit. A single speed motor with fan (blower) mounted to wall by means of a support bracket, shall draw and propel exhaust fumes and heat via a flexible hose to an exterior surface mounted gravity operated louver. The placement of the hood and blower subassembly shall be user adjustable via a swinging wall bracket with a continuous friction hinge design. The subassembly shall also include a pulley and counterweight system.

- 1) Conical collection hood!
  - Metal spun from 0063 gage aluminum, alloy 1100-0.
- 2) Non-explosion proof blower
  - 1/2 hp, 1/60/115 motor.
  - 250 cfm @ 0.0" w.g., 17 amps, 1550 rpm.
  - Maximum continuous motor Temperature 250 deg. F.
  - Sound data: approximate db at 5 feet: high 62db, low 59db.
- 3) Flexible exhaust hose!
  - Triple ply laminate, aluminumized polyester face and an aluminum foil backing.
  - Corrosion, moisture, temperature (250 deg. F.), and flame resistant.
  - 5.0" diameter, 10' (ft.) length.
  - Flexible hose fastened by plastic hose clamps (qty=2).
  - UL listed number 723.
  - Cut to shortest length permissible.
- 4) Exterior surface mounted louver!
  - 5.0" diameter discharge.
  - Blnd screen.
  - Three (3) gravity operated shutters.
- 5) 3/8" diameter plastic coated steel cable!
  - 10' (ft.) length.
  - Two (2) 3/8" galvanized steel cable clamps for fastening cable to counterweight and blower.
- 6) Counterweight!
  - 3.0" diameter cold rolled steel, painted VAF/VAK black.
- 7) Swing wall bracket with pulley system!
  - Continuous friction hinge design.
  - 1.0"x1.0"x3.5" length structural tubing.
  - two (2) ball bearing pulleys and one (1) resistance pulley.
  - Two (2) slide brackets for hanging of system.
  - Two (2) pulley safety straps. SWB is perpendicular to wall is 36.0".
- 8) Blower wall support bracket!
  - 12 gage steel.
  - Painted VAF/VAK black



Model	Hood Diameter A (in)	C.W. (lbs)	D.A.W. (lbs)
1122-NP-SWB	22.0	5.0	48.0
1227-NP-SWB	27.0	6.0	50.0
1332-NP-SWB	32.0	7.0	54.0
1437-NP-SWB	37.0	11.0	58.0

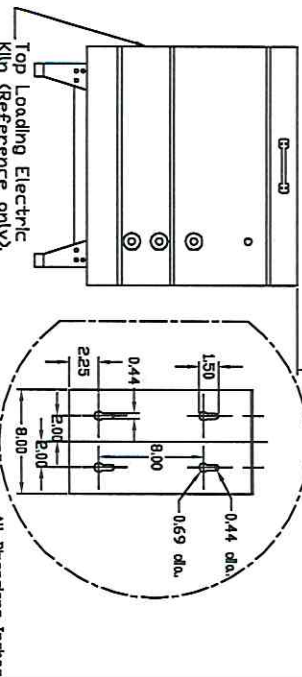
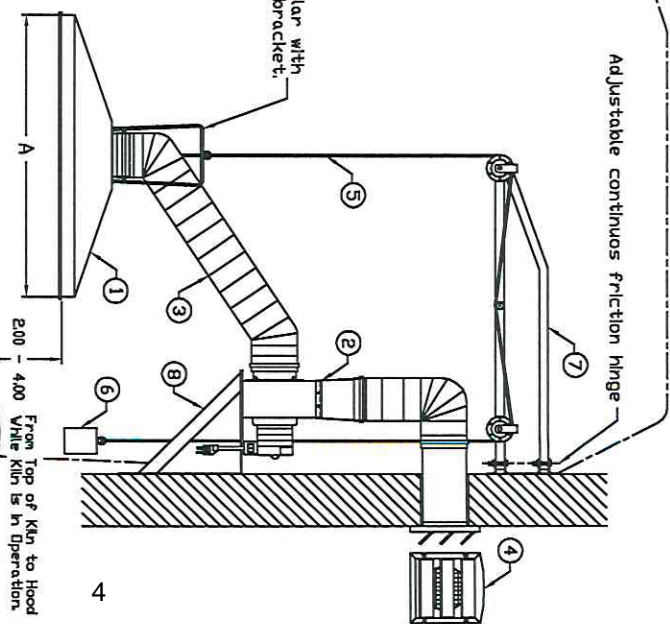
C.W. - Counter Weight  
D.A.W. - Overall Weight



(See DEM (manual) for installation)

LETTER	ALTERATION	DATE	BY
A	Replaces DVG-B-1083 & B-1082	4/11/07	B.Brandon
B	Motor had two speeds	6/12/09	B.Brandon

ALL INFORMATION CONTAINED HEREIN IS PROPRIETARY AND MUST NOT BE REPRODUCED OR MADE PUBLIC WITHOUT WRITTEN CONSENT FROM Vent-A-Kiln/Vent-A-Kiln Corp.	
UNLESS SHOWN OTHERWISE TOLERANCES SHALL BE: 1) XXX ±.006 2) XX ±.010 3) X ±.015 4) INCHES ±.031	TITLE: Model: 1122, 1227, 1332 & 1437; NP-SWB (P-11BP) Negative Pressure Vent-A-Kiln Corp. 51 Botsford Place Buffalo, N.Y. 14216 PROJECT NUMBER: XXX DATE: 4/11/07 SCALE: NTS DRAW. NO.: B-1220 DESIGNED BY: GRAM B. Brandon CHECKED BY: BILL OF MATL: NEXT ASSY: REV. B





November 7, 2025

Chris Alms, Ed.S  
Director of Technology and Information Services  
Prospect Heights School District 23

Email: [calms@d23.org](mailto:calms@d23.org)

Project: Sullivan School – Rauland TCU Upgrade  
Subject: Rauland Critical Communication System

Submitted By:  
Michael Banish  
Senior Account Executive  
Sound Incorporated

Enclosed please find Sound Incorporated's proposal response which includes the following information:

- Executive Summary
- Project Highlights and Equipment / Solution(s) Proposed
- Total Investment
- Warranty
- Project Clarifications & Qualifications
- Network Readiness
- Proposed Payment Terms
- [Additional Information on our Education Solutions](#)

Based on the information provided and review of your existing applications, Sound has provided the most thorough solution designed to meet the District's Critical Communication System requirements. If you have any questions regarding this proposal and any of the items contained within, please feel free to contact me to schedule a meeting to review. I can easily be reached at (630) 718-3181 or via email at [mbanish@soundinc.com](mailto:mbanish@soundinc.com).

Thank you for considering our proposal.



Michael Banish



**Executive Summary:**

Sound provides a diverse portfolio of innovative solutions in the areas of Connectivity, Sound & Audio Visual, Security, and Critical Communications for the Education and Healthcare markets. Our Education Team has been partnered with Rauland for over 50 years providing applications that evolved from scheduling and intercom platforms to a fully unified communication platform critical for day to day and emergency situations.

**The Following Equipment shall be furnished and installed:**

2	TCC2024	24-Port Hybrid Gateway
1	TCU3400SW	TCU License - Bundle
1	TCC2000	Campus Controller
1	TCC2033	AUX I/O Module
1	TCC2055	Program Audio Input Module
2	TCC2022	Zone Page Module
2	TCC2099	Universal Rack Mount (1-3)
1	TCC2045	IP Admin Console
	<i>NOTE:</i>	Replace (1) existing amplifier but, reuse the other "newer" amplifier.
1	TRA-2150	2x150W/25V RU=2
2	ES-8-150W	8-Port 150W POE Switch
1	SRWALLBRKT6U	SmartRack Vertical Wall Mount Rack Bracket, 200lb (90.7kg), 2-Post, 6U
1	RKBS15S2F8R	10-Outlet 1RU 3600-Jule AC Surge Panel

**Total Investment Including Rauland’s 5 Year Material Warranty:**

For Sound to provide and implement the solution as outlined in this proposal, **\$ 52,700.00.**

**Warranty:**

In the Total Investment Pricing listed and approved within this proposal, the equipment furnished and installed by Sound shall be warranted for one (1) year from substantial completion, with Rauland hardware warranted for five years. Any exceptions to this are listed in clarifications and qualifications.



### **Clarifications & Qualifications:**

- All work to be completed during normal business hours (7:00AM to 3:30PM), Monday thru Friday (excluding holidays).
- Please allow 4-6 weeks for mobilization: equipment, engineering, scheduling and coordination.
- Sound will need free access to all areas related to the work within their scope.
- The proposal does not include any raceway, conduit, sleeves, coring, back boxes or 120 VAC power, where required.
- All painting and patching, if required, done by others.
- Owner to provide all the necessary IP addresses for the network devices.
- Should any existing equipment, or communications media (i.e. cables, fiber optics, etc.) be used on this contract Sound Incorporated does not warrant the operation of said equipment, and as such should any faults be found with existing equipment, we reserve the right to make additional charges to rectify such faults. All such faults will be reported to the client prior to rectification.
- Drawings not included.
- Owner to provide us with a list of contacts, phone numbers and e-mail addresses for the individuals that will be involved in the project and training session. One up to two-hour training class has been allocated. Any supplemental training will require additional cost, of which is not included in this proposal.
- Due to the volatile market, this proposal can only be valid for a maximum of thirty days and may be subject to cost adjustment resulting from manufacture component shortages, international production crises, market equipment values, etc...
- In the event that any tariffs, taxes, or duties are imposed by any government authority after the date of this agreement, the parties agree that the cost of such tariffs, taxes, or duties will be borne by the customer and will be added to the final cost of the products or services provided. Any increase in the cost of materials, products, or services due to tariffs will be subject to adjustment.

### **Network Readiness:**

With our diverse portfolio of solutions, Sound offers network readiness assessments and connectivity plans to assist clients implementing new IP solutions. We follow strict cyber hygiene procedures and have access to industry leading providers of network, cyber, and colocation services to ensure the greatest functionality of your solution without negative impact to existing platforms. Please let me know if we can assist you with those services.

### **Proposed Payment Terms:**

30% due upon order acknowledgement, 30% due upon equipment delivery, 30% due upon completion, 10% due upon acceptance.



## TERMS AND CONDITIONS

1. Creation of a Security Interest.

Until such time as Buyer has paid the agreed purchase price. Seller hereby retains and Buyer hereby grants a purchase money security interest in the described equipment. In connection therewith, Buyer agrees to execute all instruments (including financing statements) deemed necessary by Seller under applicable law to establish, maintain and continue perfected Seller's purchase money security interest in the equipment or otherwise protect its rights in and to said equipment. Buyer hereby authorizes Seller as its attorney-in-fact to execute and file, on Buyer's behalf, any such UCC Financing Statement.

2. Limitation and Exclusion of Warranties.

Seller Hereby warrants the described equipment against defective parts for a period of one (1) year from the date of installation and warrants that the installation of said equipment shall be performed in a workmanlike manner. Buyer's exclusive remedy under these warranties shall be the repair and replacement by Seller at Seller's expense of nonconforming equipment of parts thereof.

The Warranty does not extend to any equipment which has been (1) subject to misuse, neglect, accident or abuse, (b) damaged by acts of God, exposure to elements of weather, inadequate or surplus utility power, power surges, insufficient heating/ventilating/air conditioning (HVAC), HVAC failure or causes other than ordinary use (It is the buyer's responsibility to regulate and filter any and all necessary power requirements and to supply and maintain a static free environment to insure system integrity), (c) wired, repaired or altered by anyone other than Seller without Seller's express and prior approval, (d) improperly installed by someone other than Seller, its subcontractors or affiliates, (e) used in violation of instructions furnished by Seller. In no event shall Seller be liable for consequential or incidental damages arising out of a breach of any warranty or any other provision contained herein. Seller may suspend warranty work if the purchase price is not paid in full when due and shall not be required to recommence warranty work until all obligations of Buyer under this Agreement are satisfied in full; provided, however, that nothing hereunder shall extend in the warranty period beyond one (1) year from the date of installation.

THIS WARRANTY IS THE ONLY WARRANTY GIVEN BY SELLER, AND ALL OTHER WARRANTIES EXPRESS OR IMPLIED ARE EXCLUDED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE. THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE FACE HEREOF.

3. Waiver, Amendment, Notice, Termination.

Any waiver of rights hereunder or any amendment or requirement of notice or termination hereof shall not be effective unless made in writing and signed by the party against whom such waiver, amendment, notice or termination is sought to be enforced.

4. Risk of Loss.

Upon identification of the described equipment to the contract, Buyer shall bear the risk of loss and it shall remain on Buyer regardless of any breach by Seller of any provisions hereof.

5. Tax Obligation.

Buyer will pay promptly when due all taxes, assessments and other charges levied or assessed by any governments or governmental agency upon the sale of the described equipment.

6. Assignment.

Buyer may not delegate its performance or assign its rights under this Agreement except upon the express written consent of Seller which consent may be withheld in Seller's sole discretion.

7. Benefit.

This Agreement shall be binding upon, shall inure to the benefit of, and shall be enforceable by, each of the parties hereto, its successors and assigns.

8. Limitation of Liability

Client understands that: a) Sound is not an insurer of Client's property or the personal safety of persons at said location b) Client will provide any insurance on said location and its contents c) the amount Client pays to Sound is based solely on the value of the system and service Sound provides and not on the value of Client's location or its contents d) security systems, alarm systems and Sound monitoring may not always operate properly for various reasons e) it is difficult to determine in advance the value of Client's property that might be lost, stolen or destroyed if the system or Sound service fails to operate properly f) it is difficult to determine how fast the police, fire department or others would respond to an alarm signal g) it is difficult to determine what portion, if any, of any property loss, personal injury or death would be proximately caused by Sound's failure to perform, negligence, or a failure of the system.

Therefore, Client agrees that, even if a court decided that a failure of the system, Sound's negligence, monitoring, repair or service caused or allowed any harm of damage, whether property damage, personal injury or death to Client or anyone at Client's location, Sound's liability shall be limited to six (6) times the monthly service fee, and this shall be Client's only remedy, regardless of what legal theory is used to determine that Sound was liable for the injury of loss.

9. Third Party Indemnification and Subrogation

If anyone other than Client asks Sound to pay for any harm and/or damages, including property damage, personal injury or death, connected with or resulting from a) a failure of the security/alarm services b) Sound's negligence c) any other improper or careless activity of Sound in providing the system or services or d) a claim for indemnification or contribution, Client will repay to Sound any amount which a court orders Sound to pay or which Sound reasonably agrees to pay and amount of Sound's reasonable attorney's fees and any other losses and costs that Sound may incur in connection with the harm and/or damages. Client's obligation to repay Sound for such harm and/or damages shall not apply if the harm and/or damages occurs while one of Sound's employees or subcontractors is in or about said location, and such harm and/or damages is solely caused by the employee or subcontractor. Unless prohibited by Client's insurance policy, Client agrees to release Sound from any claims of parties suing through Client's authority or in Client's name, such as Client's insurance company, and Client agrees to defend Sound against such claim. Client will notify its insurance company of this release.

10. Construction

This writing constitutes the final expression of the agreement between the parties and is intended as a complete statement of the terms of the agreement. No course of prior dealings between the parties and no trade usage shall be relevant to supplement or explain any term used in this Agreement. This Agreement has been finally accepted in the State of Illinois and shall be governed by the laws of the State of Illinois including the Uniform Commercial Code and its amendments as effective in the State of Illinois.

11. Attorney's Fees/Interest.

Buyer shall pay to Seller all attorney's fees, court costs, and all other expenses which may be incurred by Seller in enforcing, or attempting to enforce, any of its rights under this Agreement, or against any guarantors hereof, or with respect to any matters connected with the subject matter hereof.

12. Interest/Late Charges.

Buyer agrees to pay 1 ½% per month FINANCE CHARGE (18% PER ANNUM) if the purchase price it is not paid in full when due.

13. Severability.

This Agreement and all provisions hereof are intended to be severable, and this Agreement shall remain enforceable in the event any provision thereof is declared invalid.

14. Authority.

Buyer represents, covenants and warrants to Seller that Buyer has corporate or other power to make and perform this Sales Agreement and that the making and performance of the Sales Agreement by Buyer, and the financing hereunder, have been duly authorized by all necessary corporate or other action of the Buyer and will not violate any provision of law or of its Articles of Incorporation or By Laws, Articles of Organization, Certificate of Formation or other charter, or Operating Agreement, or result in the breach of any agreement to which Buyer is a party or by which it is bound.

Sound Incorporated is licensed by the State of Illinois to act as a private alarm contractor. All Sound employees involved in the engineering, design, sale, installation, documentation, and maintenance of the proposed system hold Permanent Employee Registration Cards (PERC) as required by the state (225 ILCS 446/80).

Respectfully Submitted by:   
Michael Banish  
Senior Account Executive

**Acceptance of Proposal:** The above specifications, terms and conditions are satisfactory. You are authorized to do the work as specified

**Buyer's Acceptance:**

**Sound Incorporated's Acceptance:**

Accepted by: \_\_\_\_\_  
(Printed name)

Accepted by: \_\_\_\_\_  
(Printed name)

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_ at Naperville, IL





## Proposal of Insurance

# Prospect Heights School District #23

700 N. Schoenbeck Road,  
Prospect Heights, IL 60070

Presented: May 29, 2026  
Effective: July 1, 2026 to August 15, 2027

Arthur J. Gallagher Risk Management Services, LLC License Nos. IL 100292093 / CA 0D69293

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# Service Team

Your Gallagher team is a true partner. We have the expertise to understand your business and we're here to service and stay alongside you, every step of the way.

Name/Title	Phone/ Alt. Phone	Email
<b>Marcus Henthorn</b> Area Executive Vice President	(630) 694-5152	marcus_henthorn@rpadmin.com
<b>Tyler Mackenzie</b> Accounts Executive – Key Accounts	(630) 694-5165	tyler_mackenzie@rpadmin.com
<b>Tia Schoolcraft</b> Senior Program Director	(847) 494-2693	tia_schoolcraft@RPAdmin.com
<b>Samuel Ding</b> Program Director	(617) 678-5360	Samuel_ding@rpadmin.com
<b>Marissa Hermle</b> Client Service Manager II	(630) 285-4252	Marissa_Hermle@rpadmin.com
<b>Patryk Pasek</b> Client Service Associate	(630) 694-4263	Patryk_Pasek@rpadmin.com

## Arthur J. Gallagher Risk Management Services, LLC.

Main Office Phone Number: 630.773.3800

## SERVICE COMMITMENT

### ACCOUNT SERVICE

At Arthur J. Gallagher & Co., our goal is to provide you with an exceptional insurance and risk management program delivered by a world class service organization. Gallagher is committed to partnering with our clients to ensure we consistently deliver the highest quality service possible.

# Our Service Commitment

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Our clients repeatedly tell us the most important thing that we can do as their broker is to protect their assets while providing a comprehensive and tailored insurance program with the most competitive terms. We also know that a critical component of every customer experience is receiving an accurate and timely response to their day-to-day business needs and challenges.

## **AT ARTHUR J. GALLAGHER & CO. OUR GOAL IS TO PROVIDE EVERY CLIENT WITH AN EXCEPTIONAL INSURANCE AND RISK MANAGEMENT PROGRAM DELIVERED BY A WORLD-CLASS SERVICE ORGANIZATION.**

We're on a journey to set a new standard for service within our industry – utilizing innovative technology and tools that create value for our clients, and raising the bar beyond expectations. The result is consistent and predictable service for our clients – with the highest quality at every interaction.

For the client, words and pledges only go so far. In order to deliver on our promise, Gallagher is committed to partnering with our clients to ensure we consistently deliver the highest quality service possible.

- ◆ **Clients get what they need, when they need it** – as a result of managing our work more effectively, your needs and requests are addressed promptly and professionally at all times
- ◆ **Our service team is able to focus on you**, and the solutions needed to support your unique business needs
- ◆ **We proactively manage your renewal cycle**, delivering a predictable timeline that creates time for thorough decision-making
- ◆ **You play a role in this too** – we're asking for more information ahead, so that you receive the best outcome, every time

# Program Structure

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# Named Insured & Project Location Schedule

Line of Coverage	Named Insured
Builders Risk	Prospect Heights School District #23

Line of Coverage	Project Location Address
Builders Risk	1 N Schoenbeck Road, Prospect Heights, Illinois 60070

**Note:** Any entity not named in this proposal, may not be an insured entity. This may include affiliates, subsidiaries, LLC's, partnerships and joint ventures.

# Market Review

We approached the following carriers in an effort to provide the most comprehensive and cost effective insurance program.

<i>Line of Coverage</i>	<i>Insurance Company ** (AM Best Rate/Financial Strength)</i>	<i>Market Response *</i>	<i>Admitted ***</i>
Builders Risk	ACE American Insurance Company (Chubb) A++ XV	Recommended Quote	Admitted

\*If shown as an indication, the actual premium and acceptance of the coverage requested will be determined by the market after a thorough review of the completed application.

\*\*Gallagher companies use AM 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.

Gallagher companies make 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.

# Program Details

**Coverage:** Builders Risk  
**Carrier:** ACE American Insurance Company (Chubb)  
**Policy Period:** July 1, 2026 to August 15, 2027

Coverage	Limit	Valuation Type	Deductible	Premium
Project Builders Risk Coverage	\$12,128,581 Per Occurrence (100%) part of \$12,128,581 \$11,028,581 Physical Loss to the Insured Project \$1,100,000 Soft Costs/Additional Expenses (Monthly limit of indemnity \$92,500) \$1,100,000 Delay in Opening  <u><b>Annual Aggregate Sublimits:</b></u> \$2,000,000 Flood Per Occurrence/Aggregate \$5,000,000 Earth Movement Per Occurrence /Aggregate \$25,000 Pollution or Contamination Clean-Up Per Occurrence/Aggregate \$25,000 Limited Coverage for Fungus, Wet Rot, Dry Rot or Bacteria Per Occurrence/Aggregate  The Sub-limit of Insurance for Physical LOSS to the INSURED PROJECT stated above is considered an estimate. Should any increase in the Estimated Completed Value of the INSURED PROJECT occur, the Sub- limit of Insurance for Physical LOSS to the INSURED PROJECT will automatically increase to reflect the change concurrently, subject to a maximum increase of 5% of the original Sub-limit of Insurance stated above. The Per OCCURRENCE Limit of Insurance stated above will increase by the same amount. This clause does not apply to other Sub-limits of Insurance, including Delay in Opening, if endorsed to this Policy, nor does it apply to the Annual Aggregate Sub-limits of Insurance.	Actual Cash Value	\$10,000 per any one occurrence; except  \$100,000 Flood  \$50,000 Water Damage and Earth Movement  Delay in Opening – caused by or resulting from Flood, Earth Movement Waiting Period: 30  Named Windstorm, Water Damage Waiting Period: 14	\$17,799.00

\*The premium shown does include coverage for terrorism. You may elect to decline terrorism coverage in the amount of \$534.00

Coverage	Limit
Property in Transit per Conveyance	\$1,000,000
Temporary Off-site Storage and Off-site Staging Areas, any one location	\$1,000,000
Expediting and Extra Expenses	20% of the Physical Loss, or \$250,000; whichever is less
Debris Removal	25% of the Physical Loss, or \$500,000; whichever is less
Trees, Shrubs and Plants	\$50,000
Protection Service Charges	\$50,000
Fire Protective Equipment Recharge	\$50,000

Coverage	Limit
Valuable Papers and Records	\$50,000
Claim Preparation Expenses	\$25,000
Protection of Insured Property Pre-Loss	\$25,000
Architects and Engineers Fees	\$50,000
Office and Construction Trailers/Semi-trailers and their Contents	\$50,000
Ordinance or Law	\$1,000,000
TESTING	Included
Business Personal Property	\$50,000
Named Windstorm	\$12,128,581

Exclusions
Acts or Decisions
Design
Disappearance
Dishonesty
Governmental or Military Action
Inherent Vice/Latent Defect
Insects or Animals

Conditions of the Quote, Coverages, or Binding
Signed Authorization to Bind
Subjectivities Prior to Binding: N/A
INSURED PROJECT Description / Construction: Eisenhower Elementary School project. New wrap around addition for classrooms, offices and new multipurpose room to SW corner of the building - single story, NC, 13,594 sf. New parking lot. Renovation within existing NC school building to relocate offices into addition and renovate existing area.
INSURED PROJECT Site: 1 N Schoenbeck Road, Prospect Heights, Illinois 60070

<b>Premium</b>	<b>\$17,799.00</b>
<b>Terrorism Premium (Optional)</b>	<b>\$534.00</b>
<hr/>	
Total Deposit Premium –	<b>\$18,333.00</b>
Minimum Earned Premium –	<b>\$4,583.00</b>

# Premium Summary

The estimated program cost for the options are outlined in the following table:

Line of Coverage		Proposed Program	
		Carrier	Estimated Cost
<b>Builders Risk</b>	Premium	ACE American	\$17,799.00
	Terrorism (Optional)	Insurance Company	\$534.00
	Gallagher Fee, if applicable	(ACE Group – Chubb)	N/A
<b>Total Program Cost</b>			<b>\$18,333.00</b>

Quote from ACE American Insurance Company (ACE Group) is valid until 7/28/2026

# Payment Plans

Carrier/Payable Carrier	Line of Coverage	Payment Schedule	Payment Method
ACE American Insurance Company (Chubb - ACE Group)	Builders Risk	Total Premium: \$18,333.00 (includes TRIPRA)	Agency Bill – Pay in Full

# Proposal Disclosures

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# Proposal Disclosures

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The following disclosures are hereby made a part of this proposal. Please review these disclosures prior to signing the Client Authorization to Bind or e-mail confirmation.

## **Proposal Disclaimer**

IMPORTANT: The proposal and/or any executive summaries outline certain terms and conditions of the insurance proposed by the insurers, based on the information provided by your company. The insurance policies themselves must be read to fully understand the terms, coverages, exclusions, limitations and/or conditions of the actual policy contract of insurance. Policy forms will be made available upon request. We make no warranties with respect to policy limits or coverage considerations of the carrier.

## **Compensation Disclosure**

1. Gallagher Companies are primarily compensated from the usual and customary commissions, fees or, where permitted, a combination of both, for brokerage and servicing of insurance policies, annuity contracts, guarantee contracts and surety bonds (collectively "insurance coverages") handled for a client's account, which may vary based on market conditions and the insurance product placed for the client.
2. In placing, renewing, consulting on or servicing your insurance coverages, Gallagher companies may participate in contingent and supplemental commission arrangements with intermediaries and insurance companies that provide for additional compensation if certain underwriting, profitability, volume or retention goals are achieved. Such goals are typically based on the total amount of certain insurance coverages placed by Gallagher with the insurance company, not on an individual policy basis. As a result, Gallagher may be considered to have an incentive to place your insurance coverages with a particular insurance company. If you do not wish to have your commercial insurance placement included in consideration for additional compensation, contact your producer or service team for an Opt-out form.
3. Gallagher Companies may receive investment income on fiduciary funds temporarily held by them, or from obtaining or generating premium finance quotes, unless prohibited by law.
4. Gallagher Companies may also access or have an ownership interest in other facilities, including wholesalers, reinsurance intermediaries, captive managers, underwriting managers and others that act as intermediaries for both Gallagher and other brokers in the insurance marketplace some of which may earn and retain customary brokerage commission and fees for their work.

If you have specific questions about any compensation received by Gallagher and its affiliates in relation to your insurance placements, please contact your Gallagher representative for more details.

## **TRIA/TRIPRA Disclaimer**

If this proposal contains options to purchase TRIA/TRIPRA coverage, the proposed TRIA/TRIPRA program may not cover all terrorism losses. While the amendments to TRIA eliminated the distinction between foreign and domestic acts of terrorism, a number of lines of coverage excluded under the amendments passed in 2005 remain excluded including commercial automobile, burglary and theft insurance; surety insurance, farm owners multiple perils and professional liability (although directors and officers liability is specifically included). If such excluded coverages are required, we recommend that you consider purchasing a separate terrorism policy. Please note that a separate terrorism policy for these excluded coverages may be necessary to satisfy loan covenants or other contractual obligations. TRIPRA includes a \$100 billion cap on insurers' aggregate liability.

TRIPRA is set to expire on December 31, 2027. There is no certainty of extension, thus the coverage provided by your insurers may or may not extend beyond December 31, 2027. In the event you have loan covenants or other contractual obligations requiring that TRIA/TRIPRA be maintained throughout the duration of your policy period, we recommend that a separate ""Stand Alone"" terrorism policy be purchased to satisfy those obligations.

## **Terms and Conditions**

It is important that we clearly outline the nature of our mutual relationship. The following terms and conditions (these "Terms") govern your relationship with Gallagher unless you have separately entered into a written services agreement with Gallagher relative to the policies and services outlined in this Proposal, in which case that services agreement will govern and control with respect to any conflicts with these Terms. These Terms will become effective upon your execution of the Client Authorization to Bind Coverage (the "CAB") included in this Proposal and shall survive for the duration of your relationship with Gallagher relative to the policies placed pursuant to the CAB or otherwise at your request.

## **Services**

Gallagher will represent and assist you in all discussions and transactions with insurance companies relating to the lines of insurance coverage set forth in the CAB and any other lines of insurance coverage with which you request Gallagher's assistance. Gallagher will consult with you regarding any matters involving these or other coverages for which you have engaged Gallagher. You have the sole discretion for approving any insurance policies placed, as well as all other material decisions involving your risk management, risk transfer and/or loss prevention needs.

Although you are responsible for notifying applicable insurance companies directly in connection with any claims, demands, suits, notices of potential claims or any other matters as required by the terms and conditions of your policies, Gallagher will assist you in determining applicable claim reporting requirements.

Gallagher is not required to provide Services to you if Gallagher reasonably considers that to do so would put Gallagher in breach of, or would expose Gallagher or its affiliates to fines, penalties or sanctions under any laws, regulations, professional rules or, in Gallagher's sole opinion, you have breached a term/the terms of the Policies. In such circumstances, Gallagher will be entitled to terminate its Services with immediate effect. In the event that Gallagher exercises its right to terminate its Services with immediate effect, Gallagher will not be responsible or liable to you for any direct or indirect loss which you or any other party may suffer as a result.

Please be aware that Gallagher is generally restricted from providing broking, claims handling or other services that relate to Cuba and Iran, including due to significant difficulties in processing payments and other commercial and reputational considerations.

## **Treatment of Information**

Gallagher understands the need to protect the confidentiality and security of your confidential and sensitive information and strives to comply with applicable data privacy and security laws. Your confidential and sensitive information will be protected by Gallagher and only used to perform services for you; provided that Gallagher may disclose and transfer your information (including transfers outside the United States in compliance with applicable laws) to our affiliates, agents or vendors that have a need to know such information in connection with the provision of such services (including insurance markets, as necessary, for marketing, quoting, placing and/or servicing insurance coverages). We may also disclose such information as required by applicable data protection laws or the order of any court or tribunal, subject to our providing you with prior notice as permitted by law. The parties agree that confidential information does not include aggregate, anonymized or de-identified data. In addition, we may also utilize your aggregated, anonymized, or de-identified information in connection with benchmarking, risk modeling and other data analytics, service or product improvements, and offerings, and similar business purposes. You further agree we may use your information with artificial intelligence or other automated applications for the purposes of improving or delivering our services to you.

We will (i) implement appropriate administrative, physical and technical safeguards to protect personal information; (ii) timely report security incidents involving personal information to affected parties and/or regulatory bodies; (iii) create and maintain required policies and procedures; and (iv) comply with data subjects' rights, as applicable. To the extent applicable under associated data protection laws, you are a "business" or "controller" and Gallagher is a "service provider" or "data processor." You will ensure that any information provided to Gallagher has been provided with any required notices and that you have obtained all required consents, if any and where required, or are otherwise authorized to transfer all information to Gallagher and enable Gallagher to process the information for the purposes described in this Proposal and as set forth in Gallagher's Privacy Policy located at <https://www.ajg.com/privacy-policy/>. Gallagher may update its Privacy Policy from time to time and any updates will be posted to such site.

## **Dispute Resolution**

Gallagher does not expect that it will ever have a formal dispute with any of its clients. However, in the event that one should arise, we should each strive to achieve a fair, expedient and efficient resolution and we'd like to clearly outline the resolution process.

A. If the parties have a dispute regarding Gallagher's services or the relationship governed by this Proposal ("Dispute"), each party agrees to resolve that Dispute by mediation. If mediation fails to resolve the Dispute, you and Gallagher agree to binding arbitration. Each party waives all rights to commence litigation in court to resolve a Dispute, and specifically waives all rights to pursue relief by class action or mass action in court or through arbitration. However, the parties do not waive the ability to seek a court order of injunction in aid of the mediation and arbitration required by these Terms.

B. The party asserting a Dispute must provide a written notice ("Notice") of the claim to the other party and to the American Arbitration Association ("AAA") in accordance with its Commercial Arbitration Rules and Mediation Procedures. All Dispute resolutions will take place in Chicago, IL, unless you and Gallagher agree to another location. The parties will equally divide all costs of the mediation and arbitration proceedings and will each pay their own attorneys' fees. All matters will be before a neutral, impartial and disinterested mediator or arbitrator(s) that have at least 20 years' experience in commercial and insurance coverage disputes.

C. Mediation will occur within sixty (60) days of filing the Notice with the AAA. Mediation results will be reduced to a memorandum of understanding signed by you, Gallagher and the mediator. A Dispute that is not resolved in mediation will commence to binding arbitration. For Disputes in excess of \$500,000, either party may elect to have the Dispute heard by a panel of three (3) arbitrators. The award of the arbitrator(s) must be accompanied by a reasoned opinion prepared and signed by the arbitrator(s). Except as may be required by law, neither you, Gallagher, nor a mediator or arbitrator may disclose the existence, content or results of any Dispute or its dispute resolution proceeding without the prior written consent of both you and Gallagher.

**Electronic Delivery**

In lieu of receiving documents in paper format, you agree, to the fullest extent permitted by law, to accept electronic delivery of any documents that Gallagher may be required to deliver to you (including, but not limited to, insurance policies and endorsements, account statements and all other agreements, forms and communications) in connection with services provided by Gallagher. Electronic delivery of a document to you may be made via electronic mail or by other electronic means, including posting documents to a secure website.

**Miscellaneous Terms**

Gallagher is engaged to perform services as an independent contractor and not as your employee or agent, and Gallagher will not be operating in a fiduciary capacity.

Where applicable, insurance coverage placements and other services may require the payment of federal excise taxes, surplus lines taxes, stamping or other fees to the Internal Revenue Service, various State(s) departments of revenue, state regulators, boards or associations. In such cases, you will be responsible for the payment of the taxes and/or fees, which Gallagher will separately identify on related invoices.

The Proposal and these Terms are governed by the laws of the State of Illinois, without regard to its conflict of law rules.

If an arbitrator/court of competent jurisdiction determines that any provision of these Terms is void or unenforceable, that provision will be severed, and the arbitrator/court will replace it with a valid and enforceable provision that most closely approximates the original intent, and the remainder of these Terms will remain in effect.

Except to the extent in conflict with a services agreement that you may enter into with Gallagher, these Terms and the remainder of the Proposal constitute the entire agreement between you and Gallagher with respect to the subject matter of the Proposal, and supersede all prior negotiations, agreements and understandings as to such matters.

# Client Signature Requirements

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# Client Authorization to Bind Coverage

After careful consideration of Gallagher's proposal dated May 29, 2026, we accept the following coverage(s). Please check the desired coverage(s) and note any coverage amendments below:

	Line of Coverage	Carrier
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	Builders Risk - \$17,799.00	ACE American Insurance Company
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	TRIA Coverage - \$534.00	

The above coverage may not necessarily represent the entirety of available insurance products. If you are interested in pursuing additional coverages, please list below:

## Exposures and Values

You confirm the payroll, values, schedules, and any other information pertaining to your operations, and submitted to the underwriters, were compiled from information provided by you. If no updates were provided to Gallagher, the values, exposures and operations used were based on the expiring policies. You acknowledge it is your responsibility to notify Gallagher of any material change in your operations or exposures.

## Additional Terms and Disclosures

Gallagher is not an expert in all aspects of your business. Gallagher's Proposals for insurance are based upon the information concerning your business that was provided to Gallagher by you. Gallagher expects the information you provide is true, correct and complete in all material respects. Gallagher assumes no responsibility to independently investigate the risks that may be facing your business, but rather have relied upon the information you provide to Gallagher in making our insurance Proposals.

Gallagher's liability to you arising from any of Gallagher's acts or omissions will not exceed \$20 million in the aggregate. The parties each will only be liable for actual damages incurred by the other party, and will not be liable for any indirect, special, exemplary, consequential, reliance or punitive damages. No claim or cause of action, regardless of form (tort, contract, statutory, or otherwise), arising out of, relating to or in any way connected with the Proposal, any of Gallagher's services or your relationship with Gallagher may be brought by either party any later than two (2) years after the accrual of the claim or cause of action.

Gallagher has established security controls to protect Client confidential information from unauthorized use or disclosure. For additional information, please review Gallagher's Privacy Policy located at <https://www.ajg.com/privacy-policy/>.

You have read, understand and agree that the information contained in the Proposal and all documents attached to and incorporated into the Proposal, is correct and has been disclosed to you prior to authorizing Gallagher to bind coverage and/or provide services to you. By signing below, or authorizing Gallagher to bind your insurance coverage

through email when allowed, you acknowledge you have reviewed and agree with terms, conditions and disclosures contained in the Proposal.

By:

\_\_\_\_\_  
Print Name (Specify Title)

\_\_\_\_\_  
Company

\_\_\_\_\_  
Signature

Date:

\_\_\_\_\_

# Appendix

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# Compensation Disclosure Schedule

Client Name: Prospect Heights School District #23

Coverage(s)	Carrier Name(s)	Wholesaler, MGA, or Intermediary Name <sup>1</sup>	Est. Annual Premium <sup>2</sup>	Gallagher U.S. Owned Wholesaler, MGA, or Intermediary %
Builders Risk	ACE American Insurance Company (Chubb Limited)	Chubb	\$17,799.00	N/A

<sup>1</sup> We were able to obtain more advantageous terms and conditions for you through an intermediary/ wholesaler.

<sup>2</sup> If the premium is shown as an indication: The premium indicated is an estimate provided by the market. The actual premium and acceptance of the coverage requested will be determined by the market after a thorough review of the completed application.

\* A verbal quotation was received from this carrier. We are awaiting a quotation in writing.

**Note:** When placing business with insurance companies, Gallagher Companies receive commission based on negotiated contractual terms with those carriers. The commission rate is a percentage of the premium excluding taxes and fees. Major lines of coverage, and their typical range of commissions are listed below. If you wish to receive more details on actual compensation paid to Gallagher Companies, please contact your Gallagher representative. 30

- **Accident & Health:** 15-25%
- **Aviation:** 14-15%
- **Contract Bonds:** 20-30%
- **All Other Bonds/Surety:** 30-35%
- **Builders Risk:** 15-18%
- **Property:** 15-22%
- **Inland Marine:** 20-22.5%
- **Ocean Marine:** 15-17.5%
- **Casualty:** 14-15%
- **Commercial Auto:** 12.5-15%
- **Package / Business Owners Package:** 15-16.8%
- **Workers Compensation:** 8-11%
- **All Other Commercial:** 10-20%
- **Executive/Professional Lines:** 15-17.5%
- **Medical Malpractice:** 10-12%

*Compensation to Gallagher may also be disclosed in a Client Services Agreement or Consulting Services Agreement.*

# Claims Reporting By Policy

## DIRECT REPORTING

**Immediately report all claims.** Each insurer requires notice of certain types of claims depending on the potential exposure or particular injury types. It is important to thoroughly review your policy to ensure you are reporting particular incidents and claims, based upon the insurer’s policy requirements.

For Builders Risk claims report to:

<b>Insurer: ACE American Insurance Company</b>	Insurer/TPA Name: ACE American Insurance Company Phone: CHUBB Policy: 800-252-4670 Fax: Chubb: 1-800-300-2538 Email: <a href="mailto:acecrs-claims@chubb.com">acecrs-claims@chubb.com</a> Web: <a href="https://www.chubb.com/us-en/claims/commercial-claims.aspx">https://www.chubb.com/us-en/claims/commercial-claims.aspx</a>
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Or if further assistance is needed:

<b>Gallagher Claim Center</b>	Phone: 855-497-0578 Fax: 225-663-3224 Email: <a href="mailto:ggb.nrcclaimscenter@ajg.com">ggb.nrcclaimscenter@ajg.com</a>
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**To:** Patryk Pasek  
**Company Name:** Gallagher  
**Email:** patryk\_pasek@rpadmin.com

**From:** Teri Mulcahy  
**Date Sent:** 05/29/2026  
**Email:** tmulcahy@chubb.com

**Builders Risk Coverage Quotation**  
 Quote # 099NEF 001QU

**Revision 2, All Prior Quotes are Null and Void**

**Named Insured & Mailing Address** Prospect Heights School District 23  
 700 N. Schoenbeck Road, Prospect Heights, IL 60070

Thank you for submitting the captioned account. Please read this quotation carefully, as the limits, coverage, exclusions, and any other terms and conditions may vary from those you requested in your submission and/or from the expiring policy.

This quote is valid for 60 days from the date sent or until the effective date shown below, whichever comes first. Please contact me with any questions that you may have.

**When Coverage Begins:** 07/01/2026 12:01 A.M. Local Time at the NAMED INSURED's Address

**When Coverage Ends:** 08/15/2027 12:01 A.M. Local Time at the NAMED INSURED's Address

**Term:** 410 Calendar Days

**Company:** ACE American Insurance Company (Admitted)

**Coverage:** Builder's Risk

**Coverage Form(s):** Construction Risk Coverage Form ACE0728 (11/21)

**Covered Perils:** Direct physical LOSS subject to the terms, conditions and exclusions in the policy forms and as specified below.

Whenever "NCP" is shown below it denotes no coverage has been purchased and no coverage is provided. Whenever "NA" is shown below it denotes "Not Applicable" to that coverage, deductible, Sub-limit of Insurance, or other policy provision.

**I. Description, Location and Estimated Completed Value of the INSURED PROJECT at Policy Inception**

- A. Estimated construction contract price: \$11,028,581
- B. Value of all property not declared in A. above to be insured by this Policy and intended for installation under the construction contract, whether supplied by the INSURED PROJECT owner(s) or other(s): \$0
- C. Estimated COMPLETED VALUE of the INSURED PROJECT at Policy inception: \$11,028,581
- D. Value of EXISTING PROPERTY at Policy Inception: NCP
- E. INSURED PROJECT Name: Eisenhower School - Full-Day Kindergarten Addition
- F. INSURED PROJECT Description/Construction:  
 Eisenhower Elementary School project. New wrap around addition for classrooms, offices and new multipurpose room to SW corner of the building - single story, NC, 13,594 sf. New parking lot. Renovation within existing NC school building to relocate offices into addition and renovate existing area.
- G. INSURED PROJECT Site: 1 N Schoenbeck Road, Prospect Heights, Illinois 60070

**II. Limits of Insurance**

\$ 12,128,581 ( 100.00% ) part of \$ 12,128,581 Per OCCURRENCE

The Company will pay no more for direct physical LOSS in any one OCCURRENCE than the above Limit of Insurance. In addition, the Company will not pay for more than its proportionate share (100.00%) of the following Sub-limits of Insurance and Annual Aggregate Sub-limits of Insurance, which are part of, and not in addition to, the Limit of Insurance above:

**Sub-limits of Insurance**

A. Physical LOSS to the INSURED PROJECT		\$11,028,581	
B. Delay in Opening (per Form Number ACE0729)		\$1,100,000 per OCCURRENCE and in the Aggregate	
Loss of RENTAL INCOME		NCP	Monthly Limit of Indemnity NCP
Maximum PERIOD OF INDEMNITY: NA Calendar Days			
0		NCP	Monthly Limit of Indemnity NCP
Maximum PERIOD OF INDEMNITY: NA Calendar Days			
SOFT COSTS/ADDITIONAL EXPENSES		\$1,100,000	Monthly Limit of Indemnity \$92,500
Maximum PERIOD OF INDEMNITY: 365 Calendar Days			
Interest Expense on CONSTRUCTION LOAN(s);	Included		Monthly Limit of Indemnity Included
Advertising and promotional expense;□	Included		Monthly Limit of Indemnity Included
Legal and accounting fees;	Included		Monthly Limit of Indemnity Included
Commissions incurred upon the renegotiation of leases;	Included		Monthly Limit of Indemnity Included
Fees for licenses and permits;	Included		Monthly Limit of Indemnity Included
Insurance premiums for Builders Risk, Workers' Compensation and	Included		Monthly Limit of Indemnity Included
General Liability Insurance;			
Real estate taxes and assessments;	Included		Monthly Limit of Indemnity Included
Project administration expense, excluding Developer fees and	Included		Monthly Limit of Indemnity Included
project resequencing costs;			
C. EXISTING PROPERTY		NCP	
D. Damage to the Owner's EXISTING PROPERTY – Limited		NCP	
E. Property in Transit per Conveyance		\$1,000,000	
F. Temporary Off-site Storage and Off-site Staging Areas, any one location		\$1,000,000	
G. Expediting and Extra Expenses		20% of the insured physical LOSS, or \$250,000; whichever is less	
H. Debris Removal		25% of the insured physical LOSS, or \$500,000; whichever is less	
I. Trees, Shrubs, Plants and Lawns		\$50,000	
J. Protection Service Charges		\$50,000	
K. Fire Protective Equipment Recharge		\$50,000	
L. Valuable Papers and Records		\$50,000	
M. Claim Preparation Expenses		\$25,000	
N. Protection of Insured Property Pre-LOSS		\$25,000	
O. Architects and Engineers Fees		\$50,000	
P. Office and Construction Trailers/Semi-trailers and their Contents		\$50,000	
Q. Ordinance or Law		\$1,000,000	
R. TESTING		Included	
S. Business Personal Property		\$50,000	
T. Contract Penalty		NCP	
U. TOWER CRANE Re-Erection Expense		NCP	
V. NAMED WINDSTORM		\$12,128,581	
<b>Annual Aggregate Sub-limits of Insurance</b>			
A. FLOOD	Per OCCURRENCE	\$2,000,000	
	Annual Aggregate	\$2,000,000	
B. EARTH MOVEMENT	Per OCCURRENCE	\$5,000,000	
	Annual Aggregate	\$5,000,000	
C. Pollution or Contamination Clean-Up	Per OCCURRENCE	\$25,000	
	Annual Aggregate	\$25,000	
D. Limited Coverage for FUNGUS, Wet Rot, Dry Rot or Bacteria□	Per OCCURRENCE	\$25,000	
	Annual Aggregate	\$25,000	

**III. Escalation Clause**

The Sub-limit of Insurance for Physical LOSS to the INSURED PROJECT stated above is considered an estimate. Should any increase in the Estimated Completed Value of the INSURED PROJECT occur, the Sub-limit of Insurance for Physical LOSS to the INSURED PROJECT will automatically increase to reflect the change concurrently, subject to a maximum increase of 5.00% of the original Sub-limit of Insurance stated above. The Per OCCURRENCE Limit of Insurance stated above will increase by the same amount. This clause does not apply to other Sub-limits of Insurance, including Delay in Opening, if to this Policy, nor does it apply to the Annual Aggregate Sub-limits of Insurance.

**IV. Deductibles**

\$10,000 direct physical LOSS in any one OCCURRENCE except;

A. LOSS in any one OCCURRENCE caused by or resulting from FLOOD Subject to a maximum deductible of:	\$ 100,000	or	NA%
	NA		
B. LOSS in any one OCCURRENCE caused by or resulting from EARTH MOVEMENT Subject to a maximum deductible of:	\$ 50,000	or	NA%
	NA		
C. LOSS in any one OCCURRENCE caused by or resulting from WATER DAMAGE Subject to a maximum deductible of:	\$ 50,000	or	NA%
	NA		
D. LOSS in any one OCCURRENCE caused by or resulting from NAMED WINDSTORM Subject to a maximum deductible of:	\$ 10,000	or	NA%
	NA		
E. LOSS in any one OCCURRENCE caused by or resulting from TESTING	\$ 10,000	or	NA%
F. LOSS in any one OCCURRENCE caused by or resulting from <u>NCP</u>	NA	or	NA%
G. LOSS in any one OCCURRENCE caused by or resulting from <u>NCP</u>	NA	or	NA%
H. LOSS in any one OCCURRENCE caused by or resulting from <u>NCP</u>	NA	or	NA%

Where a percentage deductible is shown above, the deductible shall be the greater of the dollar amount shown, or the stated percentage of the total insured values at the INSURED PROJECT site or sites at the time and date of the LOSS, unless a maximum deductible is listed.

Delay in Opening – WAITING PERIOD:	14	Calendar Days, Each DELAY, except;
A. Each DELAY Caused by or resulting from FLOOD:	30	Calendar Days
B. Each DELAY Caused by or resulting from EARTH MOVEMENT:	30	Calendar Days
C. Each DELAY Caused by or resulting from NAMED WINDSTORM:	14	Calendar Days
D. Each DELAY Caused by or resulting from WATER DAMAGE:	14	Calendar Days
E. Each DELAY Caused by or resulting from NCP:	NA	Calendar Days

**V. Rates and Adjustment**

Coverage Type	Rate		Annual Premium	Term Deposit Premium
INSURED PROJECT Physical Loss	Various	Per \$100 Annual	\$13,786	\$15,482
Delay in Opening	Various	Per \$100 Annual	\$2,064	\$2,317
TESTING ( 90 days)	Included	Per \$100 Annual	Included	Included
TESTING ( 90 days) Delay in Opening	Included	Per \$100 Annual	Included	Included
<b>Total Deposit Premium:</b>	\$17,799			
<b>TRIPRA Premium:</b>	\$534			
<b>Total Deposit Premium Including TRIPRA:</b>	\$18,333			

Subject to a minimum earned premium of \$4,583

Any applicable taxes, surcharges or fees, etc. are in addition to the above stated premium. The actual taxes, surcharges or fees, etc. will be those in effect on the date coverage is bound. The insured is responsible for paying these taxes, surcharges or fees in addition to the above stated premium.

**Commission:** 20.00%

**Subjectivities Prior to Binding:**

- NA

**Terms & Conditions:**

- BB-5W58a (09/11) Common Policy Declarations
- ALL-21101 (11/06) Trade or Economic Sanctions Endorsement

- ALL-20887 (10/06) CHUBB Producer Compensation Practices & Policies
- IL P 001 (01/04) U.S. Treasury Departments' Office of Foreign Assets Control ("OFAC") Advisory Notice to Policyholders
- CC-1K11k (10/24) Signatures
- MA-608255p (04/15) Claims Directory Property and Inland Marine
- ACE0210 (01/08) Nuclear, Biological, Chemical, Radiological Exclusion
- ACE0727 (11/21) Construction Risk Declarations
- ACE0728 (11/21) Construction Risk Coverage Form
- ACE0974 (04/20) Exclusion of Loss Due to Virus Bacteria or Microorganism That Induce Physical Distress Illness or Disease
- ACE1122 (05/24) Electronic Data and Electronic Media Exclusion
- ACE0780a (07/22) Amendatory Endorsement - Illinois
- TR-45231a (08/20) Policyholder Disclosure Notice Of Terrorism Insurance Coverage

**VI. Extension of Term:**

This Policy may be extended for a period not to exceed ( 0 ) days from the original expiration date shown above, subject to the same terms and conditions in effect at the time of the extension, and subject to a pro-rata additional premium, exclusive of TESTING.

NOTE: Premium rates applicable to coverage during the period of June 1st through November 30th (NAMED WINDSTORM Season) may differ from rates applicable during the period December 1st through May 31st, and additional premium for extensions will reflect those pricing differences.

The TESTING PERIOD may be extended for a period not to exceed ( 0 ) days from the number of days for TESTING stated in V. Rates and adjustment above, subject to the same terms and conditions in effect at the time of the extension, and subject to an additional premium based upon the number of days of the extension period.

The NAMED INSURED must request these extensions in writing and receive acceptance from the Company prior to the original expiration date shown above. If the NAMED INSURED does not provide the aforementioned written extension request(s), coverage shall terminate on the original expiration date stated in this Policy.

**VII. Additional NAMED INSURED Information:**

NA

**VIII. Mortgagee and Loss Payee Information:**

NA

**Valuation:**

- A. Property Under Construction – The cost to repair or replace the insured property lost or damaged with material of like kind and quality, less betterment, including contractor’s reasonable profit and overhead not exceeding the percentages in the original contract. If the insured property is not repaired or replaced then direct physical LOSS shall be settled on the basis of ACTUAL CASH VALUE.
- B. EXISTING PROPERTY - The Company will pay the least of the following for direct physical LOSS to EXISTING PROPERTY:
  - 1. The ACTUAL CASH VALUE of the EXISTING PROPERTY;
  - 2. The cost of reasonably restoring the EXISTING PROPERTY to its condition immediately prior to the direct physical LOSS;
  - 3. The cost of replacing the EXISTING PROPERTY with substantially identical property unless replacement with substantially identical property is impossible or unnecessary. In such case, FUNCTIONAL REPLACEMENT COST would apply.
- C. Property of Others (Including Items Supplied by the Owner) – If Property of Others is new, the cost to repair or replace the insured property lost or damaged with material of like kind and quality, less betterment. If Property of Others is not new then, the Owner’s cost or ACTUAL CASH VALUE, whichever is less.  
If the Property of Others is not repaired or replaced, then direct physical LOSS shall be settled on the basis of ACTUAL CASH VALUE.
- D. TEMPORARY STRUCTURES – The cost to repair or replace the insured property lost or damaged with material of like kind, quality, and condition but in the event the insured property is not repaired or replaced recovery will not exceed the ACTUAL CASH VALUE.
- E. Valuable Papers and Records - The cost to reproduce the insured property with other property of like kind and quality including the cost of gathering or assembling information from back up data if replaced, or if not replaced, at the value of blank material.
- F. ELECTRONIC MEDIA or ELECTRONIC DATA - The cost of the blank media, plus the costs of copying or restoring ELECTRONIC DATA from back-up or from originals of a previous generation, not including research and engineering or the costs or expense of recreating, gathering, or assembling such ELECTRONIC DATA.

This Policy does not insure any amount pertaining to the value of such ELECTRONIC DATA to the Named Insured or any other party, even if such ELECTRONIC DATA cannot be recreated, gathered, or assembled. If not repaired, replaced, or restored, ELECTRONIC MEDIA shall be valued at the cost of the blank media.

- G. Trees, Shrubs, Plants and Lawns - The cost to replace with property of like kind and quality plus the proper proportion of labor expended if such damage occurs after installation.

H. Office and Construction Trailers/Semi-trailers and their Contents – If not more than 5 years old as of the expiration date of this Policy, based on the manufacturer's model year, and the NAMED INSURED repairs or replaces the insured property, the least of the following shall apply:

1. The cost to replace the lost or damaged insured property, without deduction for depreciation, with new property of comparable quality and utility;
2. The amount the NAMED INSURED spends to repair or replace the lost or damaged insured property.

If the insured property is more than 5 years old or the NAMED INSURED does not actually repair or replace the insured property within a reasonable period of time after the date of direct physical LOSS, the Company will pay the ACTUAL CASH VALUE.

The Company will pay for direct physical LOSS to insured property by determining its REPLACEMENT COST, provided that the NAMED INSURED actually repairs or replaces the lost or damaged insured property, or begins to repair the damaged insured property, within 24 months from the date of direct physical LOSS; otherwise, the Company will pay for direct physical LOSS to insured property by determining its ACTUAL CASH VALUE.

**Mandatory Exclusions & Amendments:**

All policy form exclusions including but not limited to Asbestos; Contaminants or Pollutants; Electronic Data/Cyber Risk, Fungus, Wet Rot, Dry Rot or Bacteria; Nuclear, Biological, Chemical, Radiological; and Virus/Bacteria Exclusions.

This quotation does not provide coverage for demolition and/or hazardous materials abatement or remediation. If project values include such scopes of work, then revision will be required to remove those items.

**Remarks:**

The terms, conditions, limits and exclusions of this quotation supersede the submitted information and specifications submitted to us for consideration, and all prior quotations.

Actual coverage will be determined by and in accordance with the policy as issued by the insurer.

The insurer is not bound by any statements made in the submission purporting to bind the insurer unless such statement is in the actual policy.

This quotation has been constructed in reliance on the information and specifications provided in the submission. A material change or misrepresentation of the submission information and specifications may void this quotation.

**TRIPRA:**

ATTACHED PLEASE FIND A DISCLOSURE NOTICE REQUIRED BY THE TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT ("TRIPRA").

**Certificates of Insurance:**

Please be advised that we do not review Certificates of Insurance or Evidences of Commercial Property Insurance issued by you, or by any party, relating to this policy of insurance either for content or accuracy. Accordingly, we request that you do not provide copies of certificates or evidences to us for review or for our records. Authority is granted to you for the limited purpose of issuing **unmodified ACORD Certificates (ACORD 25-S for Casualty and ACORD 24 for Property and Inland Marine) and unmodified Evidence of Commercial Property Insurance (ACORD 27 and 28) only**. It is your responsibility to see that any Certificate or Evidence provides an accurate representation of the coverage form and endorsements applicable to this policy at the time the Certificates or Evidences is issued. **Any modification of the approved ACORD forms specifically set forth above, or the issuance of a non-approved Certificates of Insurance ACORD or other is prohibited.** Certificates of Insurance or Evidence of Commercial Property Insurance may only be issued as a matter of information. You have no authority by virtue of a Certificate, Evidence, or otherwise, to amend, extend or otherwise alter coverage afforded under this policy. Certificates of Insurance or Evidences of Commercial Property Insurance are never recognized as endorsements or policy change requests. You must submit a separate written request if an endorsement or policy change (including but not limited to adding additional insureds, loss payees and mortgagees and/or alteration of notice requirements for cancellation) is requested. In the event a policy change is requested, the underwriter will advise if the request is acceptable to the Company.

Regards,

Teri Mulcahy  
Inland Marine Department

**SCHOOL EMPLOYEES LOSS FUND  
Workers Compensation Program**

***Member Proposal of Insurance***  
**July 1, 2026 to June 30, 2027**

**Presented to:**

**Prospect Heights SD #23**

**Dated:**

**May 5, 2026**

**SELF**

**Presented by:**

<p><b>Samuel Ding</b> Program Director RPA/Gallagher 2850 Golf Rd Rolling Meadows, IL 60008 Phone: (617) 678-5360 <a href="mailto:Samuel_Ding@rpadmin.com">Samuel_Ding@rpadmin.com</a></p>	<p><b>Marcus Henthorn</b> Program Director RPA/Gallagher 2850 Golf Rd Rolling Meadows, IL 60008 Phone: (630) 694-5152 <a href="mailto:Marcus_Henthorn@rpadmin.com">Marcus_Henthorn@rpadmin.com</a></p>	<p><b>Tyler Mackenzie</b> Account Executive – Key Accounts RPA/Gallagher 2850 Golf Rd Rolling Meadows, IL 60008 Phone: (630) 694-5165 <a href="mailto:Tyler_Mackenzie@rpadmin.com">Tyler_Mackenzie@rpadmin.com</a></p>
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## SELF Executive Summary (2026-2027)

The SELF workers compensation renewal for 2026-2027 continues to show increased loss developments amid the hardening trend of Workers Compensation. Loss development continues to rise, at a controlled level, due to the continuous increase in overall payroll, average cost per claim, and claimant litigation rate. Despite the challenging trends in the current market, SELF remains its premier performance as an overall program.

In preparing for the 7/1/2026-2027 renewal SELF and the Executive Committee rely on several key items including:

- Program Loss Development – the SELF actuary reviews total pool losses from the current and prior years to predict the “ultimate” cost to SELF. Using this ultimate loss calculation the actuary can select or pick the loss rate needed to fund losses for the coming 2026-2027 period. With in-depth analytics on loss performances, SELF then adopts additional programs (like Nurse Triage) and enhance program inefficiencies (through our TPA RFP) to help our members and program proactively improve in the long run.
- Member Loss Development – the cost of open claims is on the rise due to increasing medical costs and the litigious culture. SELF uses a “loss sensitive” approach when calculating individual member contributions. As in previous years, member losses from the most recent three complete years are used to calculate the Individual district “Experience Modification” factor.
- SELF Fixed Costs – these costs include claims administration, program administration, excess insurance premium, loss control and various legal and professional fees. For 2026-2027, the SELF Executive Committee completed a TPA RFP for SELF’s Claims Administration to replace Sedgwick with Comprehensive Risk Services (CRS). The RFP was deemed necessary due to negative member feedback on Sedgwick’s communication, along with additional operational oversights and team structuring inefficiencies. Over months of careful reviews, the SELF Executive Committee has selected CRS (out of four candidates) effective 7/1/2026 to replace Sedgwick, given their dedicated team structure, K-12 expertise, strong client references, and aligned business model.
- Excess Insurance – SELF continues to purchase stop loss protection excess of a \$1,000,000 retention. For 2026-2027, SELF remains with our current insurance provider, Safety National Casualty Corporation, for their excess insurance. Coming off a very favorable two-year rate lock, SELF negotiated another rate lock at an additional 5% reduction despite the increase trend in the market, and the waiving of estimated payroll structure effective 2027.
- Investment Income – SELF’s unique structuring allows the program to retain investment income. As SELF continues to return surplus to offset our member premiums, investment income becomes hugely beneficial as it also helps initiate value-added programs that greatly improve our member losses in the long run.
- Loss Fund Confidence Levels – with stable investment income and increasing loss development SELF continues to fund future losses at a 60% confidence level in 2026-2027. This results in a total pool loss fund of \$9,119,332.

SELF’s member equity, or surplus, remains very strong with around \$28 million as of March 2026. Member equity is achieved through lower-than-expected losses in previous years and interest income. Over the years, SELF has returned member equity to active members in the form of a premium offset.

SELF’s commitment and high importance that it places on risk management and other cost reduction programs continues to contribute to the favorable financial results of the pool. Several of these programs have been in place now for many years and are having a significant impact on minimizing members’ total cost of risk. Programs include:

- Safety Grant Program – this program assists member districts through providing funds to purchasing loss conscious equipment specifically designed to reduce loss leading injuries. The individual member allowance for the program was further increased in 2025 to help place new safety equipment in schools and improve different areas of losses for our members. SELF Grant Program achieved a **99%** member participation in 2025-2026.
- Monthly claim roundtable and settlement meeting – this arrangement continues to result in favorable settlement and case wins. SELF members are invited to attend these meetings to review open claims in their District.
- Nurse Triage claim reporting – As of 7/1/2026, SELF is mandating Nurse Triage as its primary form of claims reporting. The Nurse Triage Piloting Districts produced undeniable results over the past year, with an average lag time of 1.2 days. This enhancement will revolutionize our members’ ease and timely reporting and have proven results in lowered claim costs, faster Return-to-Work, and more efficient adjudication.
- Educational Resources – education and training continue to be provided by SELF. Districts have access to GCN educational webinars and bi-annual in-person loss control seminars to help inform and educate members on market updates and rising perils. Better protecting our members from a holistic view.

For the 2026-2027 program period SELF remains committed to conserving member assets through risk management and loss reduction activities and protecting our members through this hardening workers compensation market.



## SCHOOL EMPLOYEES LOSS FUND

July 1, 2026 to June 30, 2027

### Prospect Heights SD #23

#### Coverage Summary

LIMITS	
Workers Compensation	Statutory
Employers' Liability	
• Bodily Injury by Accident, Each Accident	\$2,000,000
• Bodily Injury by Disease, Policy Limit	\$2,000,000
• Bodily Injury by Disease, Each Employee	\$2,000,000

COVERAGE ENHANCEMENTS
• Broad Form All States Endorsement – U.S.A. and District of Columbia
• Foreign Voluntary Workers Compensation Coverage
• Automatic Waiver of Subrogation – If Required by Written Contract
• Voluntary Compensation Endorsement



**SCHOOL EMPLOYEES LOSS FUND**  
**July 1, 2026 to June 30, 2027**

**Prospect Heights SD #23**

**Estimated Exposures**

<b>PAYROLL &amp; RATE COMPARISON</b>	<b>07/01/2025 to 6/30/2026</b>	<b>7/01/2026 to 6/30/2027</b>	<b>% Change</b>
8868 Professional Employees Estimated Payroll	\$16,484,615	\$16,937,942	2.8%
8868 Rate Per \$100	\$0.24	\$0.27	12.9%
9101 School – All Other Employees Estimated Payroll	\$1,009,804	\$1,037,574	2.7%
9101 Rate Per \$100	\$2.48	\$2.39	-3.7%
7380 Commercial Drivers Estimated Payroll	\$0	\$0	0.0%
7380 Rate Per \$100	\$6.33	\$6.46	2.1%
<b>Total Estimated Payroll</b>	<b>\$17,494,419</b>	<b>\$17,975,516</b>	<b>2.8%</b>

<b>MODIFIERS</b>	<b>07/01/2025 to 6/30/2026</b>	<b>7/01/2026 to 6/30/2027</b>	<b>% Change</b>
Experience Modification Factor (E-Mod)	0.84	0.75	-10.7%
SELF Pool Modification Factor (P-Mod)	0.94	0.92	-2.1%



**QUOTATION**  
**SCHOOL EMPLOYEES LOSS FUND**

**Prospect Heights SD #23**

July 1, 2026 to June 30, 2027

CLASSIFICATION	ESTIMATED PAYROLL <sup>1</sup>	RATE/\$100	MANUAL PREMIUM
<b>8868: Professional Employees</b> (This includes all teachers, teachers' aides, administrative personnel, clerical, cafeteria employees, lunchroom/classroom supervisors or monitors)	\$16,937,942	\$0.27	\$45,902
<b>9101: School- All Others</b> (Custodial or maintenance workers)	\$1,037,574	\$2.39	\$24,777
<b>7380: Commercial Drivers</b> (Full-time and part-time bus drivers)	\$0	\$6.46	\$0
<b>Total Manual Premium</b>		\$70,679	

PRICING FACTORS	2025-2026	2026-2027	% CHANGE
Total Payroll	\$17,494,419	\$17,975,516	2.8%
Experience Modification Factor	0.84	0.75	-10.7%
Total District Experience-Modified Premium	\$54,269	\$53,009	-2.3%
SELF Pool Experience-Modification Factor	0.94	0.92	-2.1%
Total P-Modified Premium	\$51,013	\$48,769	-4.4%
<b>Member Percent of Pool for Contribution<sup>2</sup></b>	0.58%	0.52%	-10.2%

	POOL TOTAL	MEMBER CONTRIBUTION
Program Fixed Cost	\$2,341,884	\$12,168
SELF Loss Fund Contribution (60% Funding)	\$9,119,332	\$47,381
TOTAL CONTRIBUTION 2026-2027	\$11,461,216	\$59,549
Return of Contributions – FY 2004-2024	\$1,500,001	(\$1,295)
District Payroll Audit (Credit/Debit) from 2024-2025		(\$4,038)
<b>TOTAL Estimated Deposit Contribution with Adjustments for 2026-2027</b>		\$54,215

**DO NOT PAY FROM THIS QUOTATION**

**YOUR 2026-2027 SELF INVOICE WILL FOLLOW WITH PAYMENT INSTRUCTIONS IN JUNE**

<sup>1</sup> Auditable payroll

<sup>2</sup> Member P-mod premium compared to overall program total P-mod premium