



*Pam Smith
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To: Superintendent and School Board Members

RE: 2016/2017 Insurance Renewals

I would like to request your approval to renew the following insurance coverages for 2016/2017:

Property, Casualty & Ancillary Lines of Insurance Coverage

Florida School Boards Insurance Trust (FSBIT) - \$2,115,351

The district is insured with the Florida School Boards Insurance Trust (FSBIT) for property, casualty and ancillary coverage. The total program costs for 2016/2017 is \$2,115,351.00, an overall increase from last year of \$91,070.00. Due to the surplus credit applied to our account in the amount of \$94,876.00, our expected invoice will be \$2,020,475.00. Lines of coverage included in the FSBIT invoice are: property, casualty, school crisis risk, worker's compensation, boiler and machinery, crime, pollution, catastrophic student accident, cyber liability, and terrorism. Changes impacted the pooled trust and the district included:

- Property values remain flat, rates down 3%
- Casualty Reinsurance Excess rates up 2%
- Additional Excess General Liability Coverage \$1M (\$15,456)
- Excess Worker's Compensation rate up 5%
- W.C. Payroll Increase 1.41%
- Surplus credit to district expected of \$94,876.00
- Increase in Property Loss Limit from \$125M to \$150M. Additional premium was paid last year from FSBIT surplus funds. This year the cost was shared by the trust member districts (\$21,165)

Willis Pooling Practice continues to serve as the insurance broker for FSBIT.

Flood Insurance

American Bankers - \$13,649.00

Jackson Pre-K Center is located in a flood zone. The district is required to participate in the National Flood Insurance Program to be eligible to receive FEMA funds. There are 14 buildings insured with each building insured in a separate policy. Eight policies renew on July 6. One policy renews on September 30 and five policies renew on October 7. The premiums for the eight policies that renewed on July 6 were approximately \$325.00 higher than last year. Consequently, we are projecting a \$325.00 per policy increase for the additional 6 policies that will renew in September and October. Cost increases are attributed to a \$250.00 FEMA fee increase per policy

along with overall rate increases. Attached is a flood policy spreadsheet for your review. We anticipate the total cost for renewal of the 14 flood insurance policies for year will be approximately \$13,649.00.

Our flood insurance coverage is with American Bankers Insurance Company.

Storage Tank Insurance

Liberty International Underwriters (LIU) - \$15,840.00

We have thirteen storage tanks located at nine different sites throughout the district. Nine tanks are above ground tanks and four are underground tanks. One underground tank was removed from Pace High School this year. Insurance coverage is required for all underground tanks, regardless of capacity. Above ground tanks, including generators, with more than a 550 gallon capacity, must also be covered. Attached is a storage tank spreadsheet for your review. The premium to renew our storage tank policy with LIU is \$15,840.00.

Our current storage tank coverage is with LIU Environmental.

Please contact me if you have any questions or concerns.

Sincerely,

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