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June 20, 2012

To: Superintendent and School Board Members

RE: 2012/2013 Insurance Renewals

I would like to request your approval to renew insurance coverage for 2012/2013 as follows:

**Property, Casualty & Ancillary Lines of Insurance Coverage**

Florida School Boards Insurance Trust (FSBIT) - \$1,898,636.00

The district is insured with the Florida School Boards Insurance Trust (FSBIT) for property, casualty and ancillary coverage. Attached is an itemized invoice indicating the total FSBIT program cost for 2012/2013 is \$1,898,636.00. Lines of coverage included in the FSBIT premium are: property, casualty, school crisis risk, worker's compensation, boiler and machinery, excess crime, pollution, and catastrophic student accident. The 2012/2013 premium is \$190,667.00 higher than the 2011/2012 premium. The increase is due primarily to an increase in property coverage for the upcoming fiscal year. Recognizing the budget constraints facing school districts and taking into consideration the amount held in FSBIT as surplus, the FSBIT Board took action for the fourth year in a row to make a premium adjustment from surplus funds to help offset the premium and reduce the 2012/2013 FSBIT program cost to each member district accordingly. Our district was allocated \$104,444.00 and is reflected in the invoiced amount of \$1,898,636.00. Without a premium adjustment from FSBIT our annual premium for 2012/2013 would have been \$2,003,080.00. Willis Pooling Practice continues to serve as the insurance broker for FSBIT.

**Flood Insurance**

American Bankers - \$10,000.00

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 22 buildings insured with each building insured in a separate policy. Eight policies renew on July 6 and payment for those has been made. Six policies renew on September 30 and eight policies renew on October 7. The premium for the eight policies that renewed on July 6 was approximately 5% higher than last year. Consequently, we are projecting a 5% increase for the additional 14 policies that will renew in September and October. Attached is a flood policy spreadsheet for your review. We anticipate the total cost for renewal of the 22 flood insurance policies for 2012/2013 will not exceed \$10,000.00. Our flood insurance coverage is with American Bankers Insurance Company.

**Storage Tank Insurance**

Liberty International Underwriters (LIU) - \$12,554.00

We have fifteen storage tanks located at ten different sites throughout the district. Nine tanks are above ground tanks and six are underground tanks. 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 schedule for your review. Our current storage tank coverage is with LIU Environmental. The total premium to renew our storage tank policy with LIU for 2012/2013 is \$12,554.00. The 2012/2013 premium is \$1,507.00 higher than the 2011/2012 premium but includes coverage for one additional tank added at Jay High School in December 2011.

Please contact me if you have any questions or concerns.

Sincerely,

Karen L. Retherford

Cc: Lewis Lynn  
Susan McCole  
Joey Harrell