

Property/Casualty Insurance
November 9, 2010

SUMMARY:

This item requests approval of the Property/Casualty Insurance for 2011.

BOARD GOAL:

- VI. Growth & Change ... In pursuit of excellence, the district will:
- a. Review and adjust policies and procedures effectively to address the challenges of rapid growth and changing demographic characteristics while maintaining and enhancing our strong sense of community.

PREVIOUS BOARD ACTION:

The Board approved the Texas Association of School Boards Risk Management Fund (TASB) as the District's insurance provider for Property, Equipment Breakdown, Miscellaneous Property, Liability, Vehicle Coverage, and Crime on December 8, 2009.

BACKGROUND INFORMATION:

The Texas Association of School Boards Risk Management Fund has been the provider for the District's property coverage since 2001.

SIGNIFICANT ISSUES:

TASB offered a \$10,000 Membership Experience Renewal Reward if a decision is made prior to December 2, 2010.

FISCAL IMPLICATIONS:

TASB submitted the following proposal for coverage:

- **\$862,275,654 Blanket Replacement Cost Limit**, as compared to \$888,597,381 from the prior year, on buildings, personal property and auxiliary structures with a \$250,000 deductible for wind, hurricane and hail and \$50,000 for all other claims. The property coverage premium for 2011 is \$258,683 as compared to \$266,579 in 2010, a decrease of \$7,896 or 2.96%. The net increase in insurance premiums for all lines of coverage is \$4,535 or .74%. The decrease in total property coverage is \$25,515,183.

BENEFIT OF ACTION:

Approval of property/casualty coverage will provide security of the District's assets.

PROCEDURAL AND REPORTING IMPLICATIONS:

None

PUBLIC COMMENT RECEIVED:

None

ALTERNATIVES:

None

OTHER COMMENTS:

None

SUPERINTENDENT'S RECOMMENDATION:

Recommend that the District approve the renewal from TASB Risk Fund for the following coverages:

- \$862,275,654 Blanket Replacement Cost Limit - \$50,000 Deductible and \$250,000 Deductible for Wind, Hurricane and Hail
- Equipment Breakdown
- Miscellaneous Property
- Liability
- Vehicle
- Crime

Total Premium of \$613,544

STAFF PERSONS RESPONSIBLE:

Debbie Monschke, Executive Director Administrative Services
Jo Davis, General Accountant

ATTACHMENT:

- Property Coverage/Premium Comparison – Denton ISD
- TASB Contribution and Coverage Summary
- TASB Letter - Membership Experience Renewal Reward
- TASB Non-Audit Agreement

APPROVAL:

Signature of Staff Member Proposing Recommendation: _____

Comments: _____

Signature of Divisional Leader: _____

Comments: _____

Signature of Superintendent: _____

Comments: _____