

Personnel Management and Services
Nelson E. Diaz, Deputy Superintendent

**SUBJECT: REQUEST FOR RENEWAL OF WLRN RADIO AND TELEVISION
INSURANCE COVERAGES**

At the Board meeting of May 17, 2000, the Board authorized renewal of the Broadcaster's package policy for WLRN Radio and Television, with Vigilant Insurance Company (CHUBB), as well as renewal of its commercial excess umbrella coverage with Federal Insurance Company (CHUBB), effective July 1, 2000 for one year, with the ability to automatically renew these coverages for two additional one year periods, subject to no increase in premiums. This authorization was obtained pursuant to the provisions of State Board Rule 6A-1.012(11), wherein the Board may purchase insurance by direct negotiations and contract.

The expiring Broadcaster's package policy includes liability coverage of \$1 million each occurrence/\$2 million annual aggregate, as well as coverage for loss of personal property and transmitter/studio equipment at two locations, with total values of \$1,260,000. While obtaining renewal information for this program, it was determined that equipment existed at two additional locations which had not been previously reported and included in this coverage. When the equipment values were included, the total insured values increased by \$440,000, resulting in total equipment values at four locations in the amount of \$1,700,000. Due to the increase in equipment values being insured, the premium for the package policy has increased by \$2,331, for a total annual premium of \$20,807. Deductibles for the program are \$1,000 per occurrence other than wind, and 10% of the values per location for windstorm. The annual premium for the commercial umbrella policy remains unchanged at \$1,560.

Since the increase in insurable values was provided to CHUBB somewhat late, they were not able to provide the renewal quotation in time for the renewal of July 1, 2001. As a result, the existing policy was extended for 15 days from July 1, 2001 to July 15, 2001, pursuant to the authority received from the Board at its meeting of May 17, 2000. Authorization is now being sought to renew the existing program, including the increased equipment values, effective July 15, 2001. A description of the existing and recommended program is as follows:

	<u>Current Program</u>	<u>Recommended Program</u>
	July 1, 2000 – 2001 July 1 – 15, 2001	July 15, 2001 – July 1, 2002
Package Premium	\$18,476 annual (\$702 July 1 – 15) (\$18,476 x .038)	\$20,016 (\$20,807 annual x .962)

	<u>Current Program</u> July 1, 2000 – 2001 July 1 -- 15, 2001	<u>Recommended Program</u> July 15, 2001 – July 1, 2002
<u>Locations #1</u> 695 N.W. 199 th Street Miami, Florida	\$1,010,000	\$1,010,000
<u>Location #2</u> 3300 S.W. 52 nd Avenue Hollywood, Florida	\$ 250,000	\$ 250,000
<u>Location #3</u> 1450 N.E. 2 nd Avenue Miami, Florida		\$ 85,000
<u>Location #4</u> 111 N.W. 1 st Street Miami, Florida		\$ 355,000
TOTAL INSURED VALUE	\$1,260,000	\$1,700,000

RECOMMENDED: That The School Board of Miami-Dade County, Florida:

1. approve extension of the Broadcaster's package policy with Vigilant Insurance Company (CHUBB), pursuant to authorization received at the Board meeting of May 17, 2000, effective July 1, 2001 to July 15, 2001, with a pro-rated premium of \$702 for the 15 day extension;
2. approve renewal of the Broadcaster's package policy with Vigilant Insurance Company (CHUBB), A.M. Best A++XV, for specified limits of liability and coverages, effective July 15, 2001 to July 1, 2002, with a premium of \$20,016, for that policy period, with the ability to renew for one additional year at a current annual premium of \$20,807; and
3. confirm the renewal of the commercial excess umbrella coverage with Federal Insurance Company (CHUBB), A.M. Best A++ XV, effective July 1, 2001, as authorized at the Board meeting of May 17, 2000, at a flat annual premium of \$1,560, with the ability to renew for one additional year at the current annual premium.

NED:sc