

# Henderson County Schools

1805 Second Street, Henderson, Kentucky 42420

(270) 831-5000 Fax: (270) 831-5009

<http://www.hendersonschools.net>



TO: Dr. Thomas Richey, Superintendent  
And School Board Members

FROM: Walt Spencer, CPA  
Assistant Superintendent of Finance

*Walt Spencer*

DATE: June 13, 2012

SUBJ: Bid Recommendations

The following three items (Bank Depository Agreement, Dust Mops, Towels & Soap, Pest Control) were sent Bid Renewal Requests since the May 2012 Board meeting.

## **Bank Depository Agreement # 20-11-5-6**

Independence Bank has held our Bank Depository agreement for 1 year. We are satisfied with their performance and customer service. They have agreed to the Bid renewal request for our Bank Depository Agreement. We are recommending that we renew the contract between Independence Bank and Henderson County Board of Education for our Bank Depository agreement.

## **Dust Mops, Towels & Soap # 18-10-5-6**

Armark is our current vendor of Dust Mops, Towels and Soap. We are pleased with their products and service. For that reason we are requesting the renewal of the bid for Dust Mops, Towels & Soap to Armark. They have agreed to this request.

## **Pest Control Service #15-11-4-6**

Currently our Pest Control Service is contract through Terminix. Both their product and service has been acceptable. We are recommending that we renew our Pest Control contract to Terminix. They have agreed to this request.

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TO: Dr. Thomas L. Richey, Superintendent  
And School Board Members

FROM: Walt Spencer, CPA  
Assistant Superintendent of Finance

DATE: June 13, 2012

SUBJ: Insurance Renewals for 2012-2013  
Property, Liability, and Fleet

*Walt Spencer*

Attached you will find the renewal premiums for our property insurance, inland marine, general liability, educator's legal liability (errors and omissions and sexual harassment), fleet insurance, and umbrella liability.

Also attached is a listing of possible cost saving areas to help with overall premium rates.

WS:ac

Attachments

# School Insurance Proposal

Prepared For:

Henderson County Board of Education

Presented By:

E M Ford & Company

Date of Proposal:

June 11, 2012

Version 1

Effective Date  
July 1, 2012

Expiration Date  
July 1, 2013



**Safer Schools.  
Safer Students.  
Better Future.™**





**Ohio  
Casualty**

A Liberty Mutual Company

## Claims Management

### Specialized claims units focus on...

- Casualty
- Property, Equipment Breakdown and Inland Marine
- Workers' Compensation
- Auto Physical Damage
- Fiduciary / Crime

### Reporting a Claim to our 24-hour ANYTIME Claim Service can be done a number of ways.

- Phone 1-866-255-5530
- Fax 1-877-890-4359
- E-mail - [rgnllcall@libertymutual.com](mailto:rgnllcall@libertymutual.com)

## Loss Prevention

"Ask Us Anything!"

Sometimes all schools need is a quick answer on a specific issue or safety concern. Our customers have easy access to professional consultants. Simply drop us a note and our professional Loss Prevention Consultants will respond with an answer.

Loss Prevention Department | [lp@ohiocasualty-ins.com](mailto:lp@ohiocasualty-ins.com) | 1-800-352-1416



**Safer Schools.  
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Better Future.™**



## Property Coverage

Specific Coverage	Limits	Deductible	Premium
<b>Blanket Building and Personal Property</b> Coinsurance 100% Cause of Loss Form - Special Valuation - Replacement Cost - Agreed Amount	\$247,098,829	\$10,000	\$279,890
<b>Blanket Extra Expense</b> Limit on Loss Payment - 40% - 80% - 100% Cause of Loss - Special	\$300,000		Included
<b>Mine Subsidence</b>			\$2,172
<b>Earthquake - Excluding Masonry Veneer</b> Building & Personal Property	\$25,000,000	10%	Included
<b>Equipment Breakdown</b> Inspections - 1-877-526-0020 or LMEBInspections@LibertyMutual.com Questions - LMEB@LibertyMutual.com	Subject to Policy Limits	\$10,000	Included
<b>Building Ordinance or Law</b> Undamaged Portion Demolition Increase Cost of Construction	Policy Limit \$250,000 \$250,000		Included
<b>School Property Endorsement</b>	17-174 (0108) School Extension Ultra Plus Endorsement		Included
Total Property Premium (Excluding TRIA)			\$282,062
TRIA Premium			\$9,522



## Property Coverage

Specific Coverage	Limits	Deductible	Premium
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### Property Coverage Options/Notes

Subject to receipt of updated signed statement of values.

Since risk is located within a mandatory mine subsidence County, we are required to offer coverage. If coverage not wanted, will require a signed rejection.

Mine Subsidence coverage for qualifying buildings to be \$300,000 max or the individual building value whichever is less.

This is intended to provide a summary review of coverage provided by Ohio Casualty ®.

This comparison constitutes a brief description only. For full coverage details refer to the policy forms.



**17-174 School Extension Ultra Plus Endorsement**  
**\* 17-204 Supplement to School Extension Ultra Plus Endorsement**

Coverage Description	Limit of Insurance
Special Crime Provisions	Included
Broadened Premises	Included
Real Property of Others Required by Contract	\$10,000
Electronic Data	\$25,000
Foundations	Included
Debris Removal *	\$1,000,000
Fire Department Service Charge	\$25,000
Pollutant Clean Up and Removal	\$50,000
Classroom Chemical Spills	\$ 10,000 each occurrence subject to \$50,000 maximum
Inventory Costs	\$50,000
Changes or Extremes in Temperature or Humidity	\$15,000
Newly Acquired or Constructed Property	180 days
Buildings	\$1,000,000
Business Personal Property	\$1,000,000
Personal Effects and Property of Others	\$50,000
Valuable Papers and Records (Other Than Electronic Data)	\$100,000
Property Off-Premises (Including while in Transit)	\$50,000
Outdoor Property	\$100,000
Accounts Receivable	\$100,000
Arson Reward	\$25,000
Back-up of Sewers or Drains	\$25,000
Extra Expense *	\$5,000,000
Fine Arts	\$25,000
Fire Protective Devices	Included in Building Limit
Glass Showcases	\$10,000
Loss of Refrigeration	\$50,000
Computer Equipment	\$200,000
Laptop/Portable Computers	\$10,000
Lock Replacement	\$1,000
Money and Securities	
Inside the Premises	\$10,000
Outside the Premises	\$10,000
Off-Premises Services Interruption	\$50,000
Business Income	\$100,000
Paved Surfaces	\$100,000
Underground Fiber Optic Cable	Included in Building Limit
Signs (Attached)	Included in Building Limit
Special Deductible Provisions	Included
Replacement Cost – Leased Personal Property	Included
Ordinance or Law *	10% of the Building Limit subject to \$5,000,000 maximum.







## **Crime Coverage**

Specific Coverage	Limits	Deductible	Premium
<b>Form C - Theft, Disappearance &amp; Destruction</b>			
Inside Limit	\$15,000	\$250	\$70
Outside Limit	\$15,000		
Total Crime Premium			\$70

### **Crime Coverage Options/Notes**

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## **Inland Marine**

<b>Specific Coverage</b>	<b>Limits</b>	<b>Deductible</b>	<b>Premium</b>
<b>Commercial Computer Coverage (CM1001)</b>			
Valuation - Actual Cash Value			
Hardware - Include Mechanical Breakdown	\$1,999,000	\$1,000	\$4,998
Software	\$0		
Extra Expense	\$5,000		
Property in Transit (Hardware/Software)	\$100,000/\$10,000		
Unnamed Locations (Hardware/Software)	\$100,000/\$10,000		
<b>Sign Coverage</b>			
Valuation - Actual Cash Value	See Below	5%	\$1,320
<b>Miscellaneous School Property Floater</b>			
Band Uniforms	\$50,000	RC	\$250
Athletic Equipment	\$50,000	RC	
Musical Equipment	\$280,000	RC	
Cameras & Audio-Visual Equipment	\$50,000	RC	
Fine Arts	\$50,000	ACV	
Signs	\$10,000	RC	
Dwellings Under Construction - Vocational Class	\$100,000	RC	
	Valuation	RC - Replacement Cost ACV - Actual Cash Value	
<b>Scheduled Property Floater</b>			
Valuation - Actual Cash Value			
IM7500 Scheduled Property - 2 John Deere Tractors &	\$158,000	\$2,500	\$1,580
IM7500 Scheduled Property - A/C units & Generator	\$2,536	\$500	\$16
Total Inland Marine Premium (Excluding TRIA)			\$8,930
TRIA Premium			\$226
<b>Inland Marine Coverage Options/Notes</b>			

Sign coverage to be 4 signs at \$24,671 each and located at location #1, 2, 3 & 8

This is intended to provide a summary review of coverage provided by Ohio Casualty ®.

This comparison constitutes a brief description only. For full coverage details refer to the policy forms.





## **Automobile Coverage**

<b>Specific Coverage</b>	<b>Limits</b>	<b>Deductible</b>	<b>Premium</b>
<b>Auto Liability Combined Single Limit</b>	\$2,000,000		\$131,498
<b>Non-Owned Liability</b>	\$2,000,000		Included
<b>Hired Liability</b>	\$2,000,000		Included
Cost of Hire	If Any		
<b>Personal Injury Protection</b>	\$20,000 Basic		Included
<b>Uninsured Motorists</b>	\$500,000		Included
<b>Underinsured Motorists</b>	\$500,000		Included
<b>Comprehensive</b>		\$500	Included
<b>Collision</b>		\$1,000	Included
<b>Auto Extension Endorsement</b>	16-67 (0108)		Included
	Per Event Deductible	\$21,000	
<b>Total Number of Insured Units - 156</b>			
		<b>Total Automobile Premium</b>	<b>\$131,498</b>

### **Automobile Coverage Options/Notes**

Refer to 16-67 Auto Extension for limits and conditions for Hired Auto Physical Damage and Towing coverage.  
16-68 Kentucky Standard School Bus Endorsement included.

This is intended to provide a summary review of coverage provided by Ohio Casualty ®.

This comparison constitutes a brief description only. For full coverage details refer to the policy forms.

## ***Umbrella Coverage***

<b>Limit of Liability - Each Occurrence</b>	<b>\$5,000,000</b>
<b>Limit of Liability - Aggregate</b>	<b>\$5,000,000</b>
<b>Self Insured Retention</b>	<b>\$10,000</b>

General Liability	Included
Employee Benefits	Excluded
Sexual Misconduct & Molestation	Included
School Leaders Errors & Omissions	Included
Auto Liability	Included
Uninsured/Underinsured Motorists	Excluded
Employers Liability	Excluded

Total Umbrella Premium (Excluding TRIA)	\$27,127
TRIA Premium	\$814

### **Umbrella Coverage Options/Notes**

We must write the underlying coverage to include in the Umbrella.

This is intended to provide a summary review of coverage provided by Ohio Casualty ®.

This comparison constitutes a brief description only. For full coverage details refer to the policy forms.



## Proposal Premium Summary

Lines of Coverage	Premiums
Property Coverage	\$282,062
General Liability Coverage	\$54,357
Crime Coverage	\$70
Inland Marine Coverage	\$8,930
Automobile Coverage	\$131,498
Umbrella Coverage	\$27,127
<b>Coverage Total (Excluding TRIA)</b>	<b>\$504,044</b>
<b>TRIA (Terrorism Risk Insurance Act)</b>	<b>Premium</b>
Property Coverage	\$9,522
General Liability Coverage	\$534
Crime Coverage	Not Applicable
Inland Marine Coverage	\$226
Automobile Coverage	Not Applicable
Umbrella Coverage	\$814
<b>TRIA Total</b>	<b>\$11,096</b>
<b>Account Grand Total</b>	<b>\$515,140</b>

This Premium Summary page does not include any of the optional premiums and/or coverages that may have been provided on the various coverage pages.

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## **Proposal Conditions**

Quote is contingent of the following conditions/subjectivities

1. Signed Statement of Values
2. Signed School Leaders Errors and Omissions Application
3. Complete and updated Drivers List

This is intended to provide a summary review of coverage provided by Ohio Casualty ®.

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## Henderson County Board of Education

### 2012 Insurance Renewal

<u>Optional Deductibles and limits</u>	<u>Cost / Savings</u>
15% Earthquake Deductible	(\$5,000)
25% Earthquake Deductible	(\$17,000)
\$25,000 Property Deductible	(\$18,206)
\$10,000,000 EQ Limit (Currently 25mm)	(\$41,000)