



City of San Antonio

Agenda Memorandum

File Number:18-3877

Agenda Item Number: 6.

Agenda Date: 6/19/2018

In Control: Early Childhood Education Municipal Development Corporation Board of Directors

DEPARTMENT: Pre-K 4 SA

DEPARTMENT HEAD: Sarah Baray, Ph.D.

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Program Insurance

SUMMARY:

This item requests Board approval of insurance coverage for Pre-K 4 SA from The Hartford, Liberty Mutual, and Chubb.

BACKGROUND INFORMATION:

The Memorandum of Understanding (MOU) that Pre-K 4 SA maintains with the eight participating independent school districts (ISD) requires that Pre-K 4 SA uphold a third party insurance policy to cover the following areas.

- Worker's Compensation (provided by the City of San Antonio)
- Errors and Omissions
- Directors' and Officers' Liability
- Commercial General Liability
- Abuse & Molestation Liability
- Automobile Liability (Hired & Non Owned Only)
- Program Consultants
- Excess Umbrella Liability
- Student Accident Insurance

ISSUE:

Pre-K 4 SA must ensure that insurance coverage remains in effect for the four Education Centers, without lapse. Since 2013, Pre-K 4 SA has had all insurance needs covered by Markel American Insurance Company. In May 2018, the Board approved for Pre-K 4 SA to purchase insurance from Markel American Insurance Company through 2021. During the insurance renewal process for the 2018-19 school year, Pre-K 4 SA's insurance broker, McGriff, Seibels and Williams, Inc. was able to negotiate more favorable coverage with a combination of insurance providers listed below.

- The Hartford will provide coverage for Property insurance including Buildings, and Personal Property. The annual premium is quoted at \$52,337.
- Liberty Mutual will provide liability coverage including General Liability, Auto, Umbrella, and Director's and Officers' Liability. The annual premium is quoted at \$49,637.
- Liberty Mutual will cover risk management service/risk control services with Risk Control Service Fees of \$5,000.
- Chubb and Son will provide coverage for Student Accident coverage. The annual premium is \$7,685.

The total annual premium is \$114,659.

ALTERNATIVES:

Pre-K 4 SA is required by the MOU with participating ISDs to maintain insurance coverage in the following areas.

- Worker's Compensation (provided by the City of San Antonio)
- Errors and Omissions
- Directors' and Officers' Liability
- Commercial General Liability
- Abuse & Molestation Liability
- Automobile Liability (Hired & Non Owned Only)
- Program Consultants
- Excess Umbrella Liability
- Student Accident Insurance

FISCAL IMPACT:

Funds for insurance coverage are budgeted and available in the FY 2019 Pre-K 4 SA Operating Fund.

RECOMMENDATION:

Staff recommends the Board approve the purchase of required insurance through McGriff, Seibels, and Williams, Inc. for Property, Casualty, Directors and Officers Insurance for the North, South, East and West Education Centers with a total premium not to exceed \$125,000 annually through July 2021 for a total amount not to exceed \$375,000. The City of San Antonio provides coverage meeting the Workers' Compensation requirement.