

**CLEVELAND PUBLIC LIBRARY**

**Board Meeting**

June 18, 2019

**RESOLUTION REGARDING LIBRARY INSURANCE RENEWALS**

WHEREAS, The Library's insurance policies for property, general liability, commercial auto, commercial crime, cyber liability, umbrella, excess liability, and public officials and employment practices liability coverage, expire on August 1, 2019; and

WHEREAS, On September 21, 2017, the Board of Library Trustees authorized the renewal of the insurance packages stated within the Resolution for four, one-year renewal periods commencing on August 1, 2018, provided terms, conditions, and pricing remain comparable to the current programs and consistent with then current market conditions; and

WHEREAS, The 2018-2019 expiring premiums, including the mid-year changes, for the Library's insurance policies total \$406,914; and McGowan Insurance, the Library's insurance broker, estimates that the cost of renewing the Library's insurance policies for one year will cost approximately \$447,688, which is an increase in cost of approximately 10.02% over the premium for the 2018-2019 policy; and

WHEREAS, This increase is due primarily to an estimated 17% increase for commercial auto due to adding four new vehicles, which is almost a 10% increase in exposure, along with a 7% increase in rate and an estimated 12.86% increase for public officials and employment practices liability coverage given recent claims history; and

WHEREAS, McGowan Insurance is working with underwriters and may be seeking proposals from other carriers for public officials and employment practices liability coverage, but will not have renewals and proposals in time for the June Board meeting; and

### **EXHIBIT 3**

WHEREAS, Library Administration has determined it to be in the best interests of the Library to obtain additional proposals or options for the above-described policies and to select the policy with the most favorable terms to the Library while continuing coverage without interruption; now therefore be it

RESOLVED, That the Board of Trustees authorizes the Executive Director. CEO or his designee, to make the final determination to accept the insurance package that provides the best coverage for the lowest overall cost, for a total annual premium for all policies not to exceed \$447,688, and the coverage purchased will be presented for ratification by the Board of Library Trustees at their next regularly scheduled meeting.