

CLEVELAND PUBLIC LIBRARY

Finance Committee
September 15, 2011

RATIFICATION OF PUBLIC OFFICIALS LIABILITY INSURANCE

WHEREAS, The Board of Library Trustees routinely purchases public officials and employment practices liability insurance for claims primarily related to "wrongful acts" including defense costs associated with such claims; and

WHEREAS, The Library's policy with Darwin Select Insurance Company expires on September 18, 2011; and

WHEREAS, The Library has received through our insurance agent, McGowan & Company, Inc., the proposed premium quote of \$28,070.00 from Darwin Select Insurance Company, with no increase in premium for the same coverage amount as last year, liability limit of \$1,000,000 with a deductible of \$50,000 per claim; and

WHEREAS, McGowan & Company, Inc. did a full-blown market last year and moved coverage to Darwin Select insurance Company. Marketing is not customarily done every year with nice premium savings. McGowan & Company, Inc. does not recommend switching carriers on this renewal given incumbent carrier's flat pricing; and

WHEREAS, The Library Director and Fiscal Officer have set into motion the purchase of this renewal coverage; now therefore be it

RESOLVED, That the Board of Library Trustees ratifies the decision to purchase Public Officials Liability Insurance from Darwin Select Insurance Company for the period of September 18, 2011 through September 18, 2012 through McGowan & Company, Inc. with the \$28,070.00 expenditure being charged to General Fund: Account 11020053-53400 (Insurance).

PUBLIC OFFICIALS LIABILITY & EMPLOYMENT PRACTICES LIABILITY INSURANCE PROPOSAL

INSURED: Cleveland Public Library

CARRIER: Darwin Select Insurance Company (Non-Admitted / Incumbent)

COVERAGE: Public Officials Liability / Employment Practices Liability

FORM: *Claims-Made Basis*

EFFECTIVE DATE: September 18, 2011

RETRO-DATE: Full Prior Acts

LIMITS OF LIABILITY: \$1,000,000 Each Claim / \$1,000,000 Policy Aggregate / Shared Limits

SUPPLEMENTARY: Non-Monetary Payments - \$50,000 Each Claim / \$100,000 Policy Aggregate

DEDUCTIBLE: \$50,000 Each Claim Including Defense Costs

DEFENSE COSTS: Outside the Limits of Liability

POLICY FORMS & ENDORSEMENTS:

- ◆ DRWN POL 1005 (10/2006) Public Officials Professional Liability Policy Declarations
- ◆ SAA-100 (8/1998) Schedule of Policy Forms and Endorsements
- ◆ DRWN POL 1000 (10/2006) Public Officials Professional and Employment Practices Liability Policy
- ◆ DRWN POL 1005 (10/2006) Public Officials Professional Insurance Policy Declarations
- ◆ PGU 1052 (8/2007) 25% Minimum Earned Premium - No Flat Cancellation
- ◆ PGU 1096 (3/2008) Amend Law Enforcement Exclusion
- ◆ PGU 1089 (1/2009) Spouses and Domestic Partners
- ◆ PGU 1075 (6/2008) Amend Insured Vs. Insured Exclusion, EPLI Carveback for Officials
- ◆ PGU 1045 (4/2007) Defense Outside the Limits
- ◆ S1006 DSI (4/2009) Service of Suit
- ◆ MANU 2593 (10/2010) Amend Notice of Claim – Top 3 Executives (need list from insured)

SUBJECT TO:

- ◆ Original Notarized Ohio Surplus Lines Affidavit

TOTAL POLICY COST: \$28,070 (\$26,500 Annual Premium - Minimum & Deposit + \$245 Policy Fee + \$1,325 Ohio 5% Surplus Lines Tax).

Terrorism coverage is not available.

McGowan Private Client Group



Property & Casualty
2100 Stella Court
Columbus, OH 43215-1067
(614) 644-2658
(614) 728-1280
www.ohioinsurance.gov

Ohio Department of Insurance
Ted Strickland – Governor
Mary Jo Hudson – Director



Surplus Lines Affidavit of Originating Agent

PART 1. STATEMENT OF SURPLUS LINE BROKER OR ORIGINATING AGENT

COLIN DEAN acknowledges that he/she is a duly licensed full multiple line agent currently licensed with insurance companies, other than life, authorized to do business in Ohio or he/she is a duly licensed surplus line broker pursuant to Section 3905.30 of the Ohio Revised Code and that after due diligence, he/she is unable to procure the insurance policy described below from insurers authorized to do business in Ohio to which he/she is a licensed agent.

Property or risk to be insured: PUBLIC OFFICIALS / EPLI

He/she acknowledges that he/she has complied with the applicable requirements of due diligence as set forth in Ohio Revised Code 3905.33, and has explained to the insured the meaning of the affidavits prior to binding coverage and received declinations for the reasons set forth below from the following authorized insurer(s) to which he/she is so licensed and which are known to him/her to customarily write the kind of insurance described above.

INSURERS	REASONS
1. <u>TRAVELERS</u>	<u>DOES NOT MEET GUIDELINES</u>
2. <u>WESTFIELD</u>	
3. <u>FRANKENMUTH</u>	
4. <u>HARLEYSVILLE</u>	
5. <u>STATE AUTO</u>	

Signature of Surplus Line Broker or Originating Agent

PART 2. AFFIDAVIT OF INSURED AS REQUIRED BY SECTION 3905.33 OF THE OHIO REVISED CODE

The named insured CLEVELAND PUBLIC LIBRARY, being duly sworn, says and acknowledges that the insurance policy (other than life insurance) as described above is to be placed with an insurance company not authorized to do business in Ohio. The insured understands that the insurance company is not a member of the Ohio Insurance Guaranty Association and that Chapter 3955 of the Ohio Revised Code is not applicable to claimants or insureds of said insurance company. The surplus line broker shall collect the Ohio tax of five percent of the amount of the premium for the insurance policy at the time the insurance policy is delivered to the insured.

CLEVELAND LIBRARY
Name of Insured

By: X
Name and Title

Sworn to before me and subscribed in my presence the ___ day of _____, ____.

My commission expires _____
Signature of Notary