

**CLEVELAND PUBLIC LIBRARY**

**Finance Committee**  
September 16, 2014

**RESOLUTION TO RATIFY THE PURCHASE OF INSURANCE COVERAGE  
FOR POLICIES EFFECTIVE AUGUST 1, 2014 AND SEPTEMBER 18, 2014**

WHEREAS, On June 19, 2012, the Board of Library Trustees authorized the Executive Director to make the final determination to accept the insurance package that best meets the objectives defined in the specifications, and directed that the coverage purchased be presented for ratification by the Board of Library Trustees at their next regularly scheduled meeting; and

WHEREAS, On September 18, 2012, the Board of Library Trustees ratified the decision to purchase Property Insurance through The Hylant Group for the first year's premium of \$230,000 and General Liability, Automotive, Umbrella Liability and Crime Insurance through McGowan & Co., Inc. for the first year's premium of \$114,120 for the period August 1, 2012 through August 1, 2013; and

WHEREAS, The Board of Library Trustees also ratified the decision to purchase Public Officials Liability and Employment Practices Liability Insurance through McGowan & Co., Inc. for the first year's premium of \$31,981.25 for the period September 18, 2012 through September 18, 2013; and

WHEREAS, On September 19, 2013, the Board of Library Trustees authorized the renewal of the insurance packages stated above for three, one-year renewal periods commencing on either August 1, 2014 or September 18, 2014, provided terms, conditions, and pricing remain comparable to the current programs and consistent with then current market conditions.

**EXHIBIT 3**

WHEREAS, The 2014 renewal premiums are as follows:

<b>Coverage</b>	<b>Insurer/Agent</b>	<b>Expiring</b>	<b>Renewal</b>	<b>Comments</b>
Property, including Boiler & Machinery	Fireman's Fund/Hylant	\$229,000	\$228,084	Decrease due to ~\$2.3m decrease in value of Main and Branch collections
General Liability	Philadelphia Indemnity Insurance Company/McGowan	\$52,836	\$54,653	Increased Stop-Gap payroll \$37,643,798 (up from \$33,500,000)
Automotive Coverage	Westfield Insurance Company/McGowan	\$26,141	\$31,981	\$333 endorsement was added to expiring. Increased based on claims (\$55k in claims from 2010-2013) Should have doubled; did us a favor as a valued client
Umbrella Liability	The Ohio Casualty Company/McGowan	\$40,390	\$40,376	
Crime	Travelers Insurance Companies/McGowan	\$10,100	\$10,200	
Public Officials and Employment Practices Liability	Illinois National Insurance Company (member of the AIG Group)	\$34,363	\$34,278	Agreed to add an EEOC Hearing Coverage Enhancement Endorsement to the renewal policy.

Now therefore be it

RESOLVED, That the Board of Library Trustees ratifies and approves the decision to purchase Property Insurance through The Hylant Group for the third year's premium of \$228,084 and General Liability, Automotive, Umbrella Liability and Crime Insurance through McGowan & Co., Inc. for the third year's premium of \$137,210 for the period August 1, 2014 through August 1, 2015; and be it further

### **EXHIBIT 3**

RESOLVED, That the Board of Library Trustees ratifies and approves the decision to purchase Public Officials Liability and Employment Practices Liability Insurance with Illinois National Insurance Company through McGowan & Co., Inc. for the third year's premium of \$34,278 for the period September 18, 2014 through September 18, 2015; and be it further

RESOLVED, That it is the intention of this Board to renew the insurance packages stated within this Resolution for two, one-year renewal periods commencing on either August 1, 2015 or September 18, 2015, provided terms and conditions remain comparable and the pricing is consistent with then current market conditions and the Library's history; and be it further

RESOLVED, The Library management will report on the status of the insurance renewal premiums for ratification by the Board of Library Trustees at the next regularly scheduled meeting.