

CLEVELAND PUBLIC LIBRARY

Finance Committee
September 15, 2015

**RESOLUTION TO RATIFY THE PURCHASE OF INSURANCE COVERAGE
FOR POLICIES EFFECTIVE AUGUST 1, 2015 AND SEPTEMBER 18, 2015**

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 18, 2014, the Board of Library Trustees authorized the renewal of the insurance packages stated above for two, one-year renewal periods commencing on August 1, 2015 and September 18, 2015, respectively, provided terms, conditions, and pricing remained comparable to the current programs and consistent with then current market conditions.

EXHIBIT 4

WHEREAS, The 2015 renewal premiums are as follows:

Coverage	Insurer/Agent	Expiring	Renewal	Comments
Property, including Boiler & Machinery	Fireman's Fund Insurance Company/Hylant	\$228,084	\$237,469	Flat renewal, but premium increased due to applying the appraisals; increasing the total insurable value (from \$545,554,645 to \$568,503,600)
General Liability	Philadelphia Insurance Company/McGowan	\$54,598	\$55,460	Increased Stop-Gap payroll \$38,865,345 (up from \$37,643,798)
Automotive Coverage	State Auto Insurance Company/McGowan	\$31,981	\$29,537	New Carrier
Umbrella Liability	Ohio Casualty Insurance Company/McGowan	\$40,376	\$41,496	Remained mainly flat considering market at 4%-6% increase, \$1,120 increase
Crime	Travelers Property & Casualty/McGowan	\$10,200	\$10,320	Remained flat, \$120 increase
Public Officials and Employment Practices Liability	Illinois National Insurance Company (member of the AIG Group)	\$34,278	\$35,019	Increased just over 2%; given claims activity over the last 12 months, renewal terms are in line with current market conditions

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 fourth year's premium of \$237,469 and General Liability, Automotive, Umbrella Liability and Crime Insurance through McGowan & Co., Inc. for the fourth year's premium of \$136,813 for the period August 1, 2015 through August 1, 2016; and be it further

EXHIBIT 4

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 fourth year's premium of \$35,019 for the period September 18, 2015 through September 18, 2016; and be it further

RESOLVED, That it is the intention of this Board to renew the insurance packages stated within this Resolution for one, one-year renewal periods commencing on August 1, 2016 and September 18, 2016, respectively, 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.