

CLEVELAND PUBLIC LIBRARY

Finance Committee

June 15, 2021

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, 2021; 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 and with the final renewal period commencing on August 1, 2021, provided that terms, conditions, and pricing remain comparable to the current programs and consistent with then current market conditions; and

WHEREAS, The 2020-2021 expiring premiums for the Library's insurance policies total \$473,561.25, 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 \$590,000, an increase in the cost of between 10% and 15% over the current premium, which is due primarily to insurance carriers' response to the COVID-19 pandemic; and

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

WHEREAS, The 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 \$590,000.00, and the coverage purchased will be presented for ratification by the Board of Library Trustees at their next regularly scheduled meeting.