

2/11/16-12:30 a.m.

RESOLUTION NO. 3 -2016 (AS AMENDED 2/11/16)

Offered by All of Council

**A RESOLUTION ACCEPTING THE PROPOSAL OF OHIO PLAN RISK
MANAGEMENT, INC. FOR PROPERTY AND CASUALTY INSURANCE
COVERAGE FOR THE VILLAGE AND ITS EMPLOYEES AND
DECLARING AN EMERGENCY**

BE IT RESOLVED by the Council of the Village of Richfield, Summit County,
State of Ohio:


- SECTION 1. That the proposal of Ohio Plan Risk Management, Inc. for property and casualty insurance coverage for the Village and its officers and employees for the period beginning March 1, 2016 through February 28, 2017 be, and the same hereby is, accepted in an amount not to exceed \$59,802. A copy of the complete policy is on file in the office of the Finance Director.
- SECTION 2. This Resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public health, safety and welfare and for the further reason that it is immediately necessary in order to provide needed insurance coverage for the Village and its employees; wherefore, provided this Resolution receives the affirmative vote of two-thirds of the members of Council elected or appointed, it shall take effect immediately upon its passage and execution by the Mayor; otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

PASSED:

2-16-16



President of Council



Mayor

ATTEST:

Dated:

2/11/16



Clerk of Council

**Village of Richfield
2016 Property & Casualty Insurance Proposal Coverage Comparisons**

	OHIO PLAN	ARGONAUT	PEP	SELECTIVE
Property Building and Personal Property - Blanket Limit	\$17,290,548	\$24,258,559	\$23,313,188	\$22,140,006
Blanket	Yes	Yes	Yes	
Specific Limit	\$6,893,575	Included	\$1,049,588	\$2,044,116*
Knopp House - scheduled limit - FRC	\$6,779,336			\$114,239
Safety Building - scheduled limit	Included in blanket	Included in blanket	Included in blanket	\$274,437
Old Town Hall	Included in blanket	Included in blanket	Included in blanket	\$114,239
Dwelling	Included in blanket	Included in blanket	Included in blanket	\$150,796
2 Barns	Included in blanket	Included in blanket	Included in blanket	\$370,820
Eastwood House	Included in blanket	Included in blanket	Included in blanket	\$137,087
Eastwood Barns	Included in blanket	Included in blanket	Included in blanket	\$788,365
Masonic/Meeting Hall Building	Included in blanket	Included in blanket	Included in blanket	\$94,133
Masonic/Meeting Hall Contents	Included in blanket	Included in blanket	Included in blanket	
Covered Perils	Special Causes of Loss	Special Causes of Loss	Special Causes of Loss	Special Causes of Loss
Coinsurance	No Coinsurance, Agreed Amount	No Coinsurance, Agreed Amount	No Coinsurance, Agreed Amount	100%
Valuation	RC, except Knopp House at FRC	Replacement Cost	Replacement Cost	RC/Agreed Amount
Deductible	\$1,000	\$1,000	\$1,000	\$2,500
Electric Substations and Transformers	\$10,000		\$1,000,000	\$1,000,000
Earthquake Coverage	\$1,000,000	\$1,000,000	\$25,000	\$25,000
Earthquake Deductible	\$25,000	\$50,000	\$1,000,000	\$1,000,000
Flood Coverage	\$1,000,000	\$50,000	\$25,000	\$25,000
Flood Deductible	\$25,000			
Property Coverage Extensions	\$250,000		\$250,000	\$250,000
Accounts Receivable	\$10,000	If scheduled on IM	\$10,000	\$15,000/\$25,000
Animal Mortality/Injury	\$5,000	\$7,500	\$5,000	
Arson Reward	\$500,000 (must be described loc)	\$1,000,000	\$2,000,000	
Builders Risk	Included in blanket limit			
Building Foundations 10% of limit per building, max				
Building Ordinance/Law Coverage	Building Limit	Building Limit	Building Limit	\$500,000
Undamaged Portion	\$250,000	\$100,000	\$250,000	Combined with Demolition Cost
Demolition Cost	\$250,000	\$100,000	\$250,000	\$25,000/\$50,000
Increased Cost of Construction	Combined with Demolition Cost		Must schedule	Actual Loss Sustained
Cemetery Buildings	\$10,000	\$50,000		
Change in Temperature/Humidity	Excluded	\$100,000		
Commandeered Property	\$100,000			
Cost of Taking Inventory	Included in loss			
Crime Reward				
	Per Person			
	Max			
Data Processing Equipment	N/A	\$1,000	N/A	N/A
Debris Removal	N/A	\$5,000	\$5,000	N/A
Detached Signs	See Computer Coverage	See Computer Coverage	\$250,000	See Computer Coverage
Dependent Properties	25% of Loss + \$25,000	25% of loss	25% of loss	
Electrical Damage	Limited coverage if not scheduled	\$5,000		
Errors or Omissions/Unmanned Locations	N/A	\$50,000	\$500,000	BI = Actual Loss
Business Income w/Extra Expense	Boiler Coverage	Included	Rental Income - \$100,000	
BIEE deductible	\$250,000	\$250,000		
Expediting Expenses	No waiting period			
Extra Expense	Covered within the Blanket Limit			
	Included with Business Income		\$100,000	\$250,000

	Scheduled - RC, Unscheduled - ACV	\$1,000 RC	\$1,000 ACV
Deductible Valuation	\$1,000 RC	\$1,000 RC	\$1,000 ACV
Computer Coverage			
Equipment Limit	\$558,250	\$558,250	\$558,250
Media & Data	\$25,375	\$50,000	\$25,375
Property Away from Premises	\$5,000	NA	NA
Virus	\$1,000	\$50,000	\$1,000
Deductible	\$1,000	\$100,000	\$15,000
Business Income Limit	NA	\$1,000	\$10,000
Business Income Deductible	NA	Included in BI	
Extra Expense Limit	\$10,000		
Extra Expense Deductible	\$0		
Valuation		Replacement Cost	
Hardware			
Software			
Crime			
Public Employee Dishonesty	\$100,000	\$100,000	\$100,000
Includes Faithful Performance	Yes	Excludes	Yes
Deductible	\$0	\$5,000	?
Forgery Alteration	\$50,000	\$50,000	\$50,000
Deductible	\$0	\$500	?
Computer Fraud	\$100	\$50,000	?
Deductible	\$25,000	\$50,000	\$25,000
Theft, Disappearance & Destruction	\$0	\$500	?
Funds Transfer Fraud	\$25,000	\$50,000	\$25,000
Deductible	\$0	\$500	?
General Liability			
Each Occurrence	\$6,000,000	\$6,000,000	\$1,000,000
Annual Aggregate	\$8,000,000	No Aggregate	\$3,000,000
Personal/Advertising Injury Limit	\$6,000,000	\$1,000,000	\$1,000,000
Coverage Form	Occurrence	Claims-Paid per Intergovernmental Agreement	
Deductible	\$0	\$0	Yes
Defense in Addition to Limit?	Yes	\$5,000	Yes
Medical Expense	Covered in Property - \$1,000,000	Included	Yes
Fire Legal	Yes	Yes	Yes
Includes Governmental Medical Liability	Excluded	Excluded	Yes
Independent Contractors	Excluded		
Automatic Additional Insureds	Excluded		
Injury to Volunteer Firefighters	Included		
Sewer Backup	Included		
Fireworks Coverage	Included		
Sexual Abuse	Silent		
Pollution Coverage for:	\$1,000,000/\$3,000,000		
Pesticide or Herbicide Application	Included		
Water Treatment Chemical Application	Included		
Swimming Pool Chemical Application	NA		
Streets & Roads Application	Included		
Fire and hazmat chemical application	Included		
Underground Storage Tank Pollution	Excluded	\$55,000/\$55,000	Excluded

TO: Village Council
Mayor Bobbie Beshara
William Hanna

CC: Carolyn Sullivan
Stephanie Landry
Melanie Baker

FROM: Sandy Turk, Finance Director

RE: Resolution No. 3 – 2016 for property and casualty insurance for the February 16, 2016 Council Meeting

Date: February 11, 2016

ACTION BEING REQUESTED	TYPE OF REQUEST
Third Reading and Adoption	Resolution for Property & Casualty Insurance

The Finance Department requests Resolution No. 3 -2016 (as amended 2/11/2016) accepting the proposal of Ohio Plan Risk Management, Inc. for property and casualty insurance coverage have its third reading and consideration for adoption at the February 16th, Council meeting.

The 2015 premium with Ohio Plan was \$69,779. Below is the ranking of the proposals received based strictly on the price without looking at coverage aspects and benefits provided:

- Argonaut - \$54,208
- Public Entity Pool (PEP) - \$54,590
- Ohio Plan - \$59,802
- Selective - \$64,759; and
- EMC - \$85,199.

One other proposal was going to be submitted but they determined that the proposal would not be competitive and declined to submit it. All carriers are providing comprehensive coverages that meet the needs of the Village. The attached spreadsheet has some highlights that indicate either a lesser coverage amount or a higher deductible, but there are so many varying components that it is difficult to make an apples to apples comparison. When considering the lowest and best proposal it is recommended that Council consider accepting the Ohio Plan proposal. Even though the price is \$5,594 higher, the Ohio Plan offers the following services that we have not seen from prior providers:

- We are provided a risk manager who makes several visits a year and actually walks the property to identify probable sources of risk and recommends improvement strategies.
- Risk Manager reviews established policy and procedure manuals. For example, they offered an up-to-date Village employee personnel manual template for our use when we rewrote our manual free of charge.