

**DAWSON**  
COMPANIES

**INSURANCE PROGRAM PROPOSAL**

**PREPARED FOR:**

**CITY OF GAHANNA**  
200 South Hamilton Road  
Gahanna, OH 43230

**PRESENTED BY:**

*Ohio Municipal  
Joint Self-Insurance Pool*

**Dawson Insurance, Inc.**  
1340 Depot Street  
Cleveland, OH 44116-1799  
440-333-9000

**APRIL 1, 2011**

**EXHIBIT A**

## *Ohio Municipal Joint Self-Insurance Pool*

The Ohio Municipal Joint Self-Insurance Pool was established in 1987 with the goal of providing its member municipalities coverage in the areas of general liability including public officials, police, firefighters, EMS, auto liability and property. Within the terms of the participation agreement, the pool is a risk-sharing mechanism whose members agree to make a contribution sufficient enough to pay expenses, claims and a surplus donation.

The pool is an unincorporated, statutory entity that is tax-exempt, and managed by its member municipalities. It is governed by a Board of Trustees, elected through written ballot or appointed by the board, which consists only of elected or appointed officials of a member municipality. The pool provides risk management and loss control services through seminars, on-site surveys of exposures and special safety programs. Members are solely Ohio municipalities.

### *Our Services:*

- Provides help to our members in the control and avoidance of injuries, the management of their risk and the settlement of damages.
- Provides stability of price with reasonable rates, offering secure protection over the long haul. The pool's pricing is consistent and adequate to ensure member protection and the long-term life of the Pool.
- Provides underwriting consistent with the goals and objectives of the Pool. We know the risks and examine the experience of each member in formulating our pricing.
- Provides outstanding claims administration by a nationally recognized third party administrator.
- Provides litigation management consistent with the needs of its members.
- Provides reinsurance for the Pool against major losses. Chartis currently provides reinsurance. This reduces the Pool's net financial exposure for claims activities to levels considered appropriate regarding our financial resources, thus, providing greater financial stability.



## Ohio Municipal Joint Self-Insurance Pool

### BOARD OF TRUSTEES

TRUSTEE	POSITION / MUNICIPALITY
Kenneth Schuman	Director of Law, City of Bedford
Mark Beckdahl	Director of Finance, City of Springfield
Jim DeSanto	City Engineer, City of Mansfield
Karen Shaffer	Clerk-Treasurer, Village of Millersburg
Terry Emery	Director of Public Service, City of Gahanna
Kelly Carr	City Auditor, City of Marion

# City of Gahanna

## *Ohio Municipal Joint Self-Insurance Pool Contact Information*

YOUR SERVICE TEAM		CONTACT NUMBERS
Mark Coleman Dawson Companies	Account Executive	Phone: 740-321-1360 Fax: 740-321-1369 Email: mcoleman@dawsoncompanies.com
Amy Ballachino Dawson Companies	Account Representative	Phone: 440-895-6536 Fax: 440-356-2126 Email: aballachino@dawsoncompanies.com
Mike Condo JWF Specialty	Property/Auto Sr. Claim Specialist	Phone: 513-231-5103 Fax: 513-706-9706 Email: mike.condo@oldnationalins.com
Mike McGuff JWF Specialty	Liability Sr. Claim Specialist	Phone: 513-868-7320 Fax: 513-868-7887 Email: mike.mcguff@oldnationalins.com

## PROPERTY INSURANCE SCHEDULE

**INSURED:** CITY OF GAHANNA  
**INSURER:** OHIO MUNICIPAL JOINT SELF-INSURANCE POOL  
**POLICY TERM:** 4/1/11 To 4/1/12

### COVERED PROPERTY:

SUBJECT OF INSURANCE	AMOUNT	CO-INS	DEDUCTIBLE	VALUATION
Blanket Limit	\$ 26,326,302	Agreed Amount	\$ 1,000	Replacement Cost

**SEE ATTACHED SPREADSHEET FOR LOCATION SCHEDULE**

**CAUSE OF LOSS FORM USED:** All risk or direct physical loss or damage to property except as excluded

**EXTRA EXPENSE:** \$50,000 Limit with a \$1,000 Deductible

**BUSINESS INTERRUPTION:** \$100,000 Limit with a \$1,000 Deductible

## **PROPERTY: EXTENSIONS OF COVERAGE**

<b>COVERAGE</b>	<b>LIMIT</b>
Accounts Receivable	\$ 250,000
Animal Mortality	\$ 10,000
Arson Reward	\$ 5,000
Business Interruption	\$ 500,000
Debris Removal	\$1,000,000
Demolition/Increased Cost of Construction	\$ 500,000
Electronic Data Processing:	
Hardware	\$ 50,000
Software	\$ 50,000
Extra Expense	\$ 50,000
Extra Expense	\$ 500,000
Fine Arts	\$ 25,000
Fire Department Service Charge	\$ 5,000
Lock Re-Keying	\$ 2,500
Money & Securities	\$ 10,000
Newly Acquired Buildings & Personal Property	\$3,000,000
Pollutant & Containment Clean-up	\$ 10,000
Property Off Premises	\$ 50,000
Trees, Shrubs, Plants	\$ 10,000
Rental Value	\$ 500,000
Property In Transit	\$ 250,000
Sewer Backup During Flood	\$ 5,000
Valuable Papers	\$ 250,000
Inland Marine: Rental Reimbursement	\$ 2,500

## CRIME COVERAGE

**INSURED:** CITY OF GAHANNA  
**INSURER:** OHIO MUNICIPAL JOINT SELF-INSURANCE POOL  
**POLICY TERM:** 4/1/11 To 4/01/12

COVERAGE	LIMIT	DEDUCTIBLE
Blanket Employee Dishonesty	\$ 100,000	\$ 1,000

- Includes Faithful Performance of Duty at \$100,000 Limit

## **ELECTRONIC DATA PROCESSING SCHEDULE**

**INSURED:** CITY OF GAHANNA  
**INSURER:** OHIO MUNICIPAL JOINT SELF-INSURANCE POOL  
**POLICY TERM:** 4/1/11 To 4/01/12

<b>CAUSES OF LOSS</b>	<b>VALUATION</b>	<b>DEDUCTIBLE</b>
Special	Replacement Cost	\$ 500

### **COVERAGE:**

<b>HARDWARE LIMIT</b>	<b>SOFTWARE LIMIT</b>	<b>EXTRA EXPENSE</b>
\$ 396,413	\$ 75,000	\$ 25,000

**SEE ATTACHED SPREADSHEETS FOR INVENTORY LISTS**



## INLAND MARINE EQUIPMENT SCHEDULE

**INSURED:** CITY OF GAHANNA  
**INSURER:** OHIO MUNICIPAL JOINT SELF-INSURANCE POOL  
**POLICY TERM:** 4/1/11 To 4/01/12

VALUATION	DEDUCTIBLE
Actual Cash Value	\$ 500

### SCHEDULED EQUIPMENT:

DESCRIPTION	LIMIT	DEDUCTIBLE
Contractors Equipment	\$ 1,259,690	\$500
Fine Art	\$ 10,000	\$500
Misc Tools and Equipment	\$ 150,000	\$500
Misc Values – Tree Lights	\$ 40,000	\$500
Boats	\$ 7,500	\$500
Misc Property	\$ 121,066	\$500
Misc. Light Fixtures	\$ 1,000,000	\$500

**SEE ATTACHED SPREADSHEETS FOR INVENTORY LISTS**

### NOTE:

Inland Marine is written on a scheduled basis and new items must be added within 60 days. If equipment is leased we will need to be advised to add the item to the contract.

## EQUIPMENT BREAKDOWN SCHEDULE

**INSURED:** CITY OF GAHANNA  
**INSURER:** OHIO MUNICIPAL JOINT SELF-INSURANCE POOL  
**POLICY TERM:** 4/1/11 TO 4/01/12

### STANDARD POLICY FORM:

COVERAGE	LIMIT
Property Damage Limit:	\$ 10,000,000 Any One Accident
Deductible	\$ 1,000* *Except Sewer/Water Treatment and Electrical Substations have a \$5,000 Deductible

### SUB-LIMITS OF LIABILITY:

(sub-limits are within, and do not increase, the Equipment Breakdown Limit stated above):

Expediting Expense	\$100,000
Hazardous Substances	\$100,000
Spoilage	\$100,000
Computer Equipment	\$100,000
Data Restoration	\$100,000
CFC Refrigerants	\$100,000
Business Interruption	\$100,000
Extra Expense	\$100,000
Rental Value	Included in Business Interruption

Contingent Business Interruption:	
Suppliers and/or Receivers of the Village's Goods or Services	\$100,000
"Service Interruption"	\$100,000

Other Conditions: Extended Period of Restoration: 180 Days

- Unless the interruption exceeds 48 hours, "we" will not pay for any loss under "Service Interruption" coverage

## GENERAL LIABILITY

**INSURED:** CITY OF GAHANNA  
**INSURER:** OHIO MUNICIPAL JOINT SELF-INSURANCE POOL  
**POLICY TERM:** 4/1/11 To 4/01/12

COVERAGE	LIMIT
Bodily Injury and Property Damage	\$ 5,000,000 Per Occurrence
Personal/Advertising Injury	\$ 5,000,000 Per Occurrence
Products/Completed Operations Aggregate	No Aggregate Applies
General Aggregate	No Aggregate Applies
Fire Damage Legal Liability	\$ 100,000
Medical Payments	\$ 5,000 Any One Person

### DEDUCTIBLE:

Property Damage / Bodily Injury - \$5,000 Per Occurrence

### SEXUAL MISCONDUCT/ABUSE FOR DAYCARES/DAYCAMPS:

LIMIT	DEDUCTIBLE
Sub-Limit \$150,000	\$5,000

**EMPLOYEE BENEFITS LIABILITY:**

COVERAGE	LIMIT
Employee Benefits Liability	\$ 1,000,000 Claims Made
Employee Benefits Liability Aggregate	\$ 1,000,000

**DEDUCTIBLE:**

Employee Benefits - \$5,000 Per Claim

**OHIO EMPLOYERS STOP GAP:**

COVERAGE	LIMIT
Stop Gap Liability	\$ 5,000,000

**DEDUCTIBLE:**

Stop Gap - \$5,000

**GENERAL LIABILITY – WHO IS COVERED:**

1. You (the Participant) are a Covered Party
2. Each of the following is also covered to the extent indicated:
  - a.) Elected or Appointed Officials
  - b.) Members of Boards or Commissions
  - c.) Employees
  - d.) Volunteers
  - e.) Any person or organization acting as your real estate manager

Defense Costs: Included in Combined Coverage  
Provision Limit

## LAW ENFORCEMENT

**INSURED:** CITY OF GAHANNA  
**INSURER:** OHIO MUNICIPAL JOINT SELF-INSURANCE POOL  
**POLICY TERM:** 4/1/11 To 4/01/12

COVERAGE	LIMIT
Law Enforcement Liability	\$ 5,000,000 Per Occurrence
Annual Aggregate	No Aggregate Applies

**DEDUCTIBLE:**

- \$10,000 Per Occurrence

## **PUBLIC OFFICIALS**

**INSURED:** CITY OF GAHANNA  
**INSURER:** OHIO MUNICIPAL JOINT SELF-INSURANCE POOL  
**POLICY TERM:** 4/1/11 To 4/01/12

<b>COVERAGE</b>	<b>LIMIT</b>
Public Officials Liability	\$ 5,000,000 Per Claim
Public Officials Annual Aggregate	\$ 5,000,000
Annual Aggregate for Municipal Attorney and Law Directors Liability	\$ 1,000,000

**DEDUCTIBLE:** \$15,000 Per Claim

**PUBLIC OFFICIALS:** Coverage is written on a Claims Made form.

**RETRO DATE:** 7/4/1996

## BUSINESS AUTOMOBILE POLICY SCHEDULE

**INSURED:** CITY OF GAHANNA  
**INSURER:** OHIO MUNICIPAL JOINT SELF-INSURANCE POOL  
**POLICY TERM:** 4/1/11 To 4/01/12

COVERAGE	LIMIT
Bodily Injury and Property Damage	\$ 5,000,000 CSL Each Accident
Medical Payments	\$ 5,000 Each Person
Uninsured Motorist	\$ 40,000 Each Accident

### COVERED CLASS OF VEHICLES:

COVERAGE	APPLICABLE TO
Liability	Any Auto Hired Autos Non-Owned Autos
Medical Payments	All Owned Autos
Uninsured Motorist	All Owned Autos
Underinsured Motorist	All Owned Autos
Comprehensive	Autos Specified On Schedule
Collision	Autos Specified On Schedule

**VEHICLE SCHEDULE:** Vehicles are written on a composite rated basis. See attached spreadsheet for list of current vehicles.

**GARAGE KEEPERS COVERAGE:** Included for Location 18 for a limit of \$1,000,000 with a \$500/\$500 per auto deductible

**ENDORSEMENTS:** Hired Car Physical Damage Coverage: \$50,000 with \$500/\$500 Deductibles

## **PARTICIPANT CONTRIBUTION BREAKDOWN**

**INSURED:**

**CITY OF GAHANNA**

<b>LINE OF COVERAGE</b>	<b>PARTICIPANT CONTRIBUTION</b>
<b>Property</b>	\$ 21,880
<b>Crime</b>	\$ 500
<b>Inland Marine</b>	\$ 10,686
<b>Equipment Breakdown</b>	\$ 1,232
<b>General Liability</b>	\$ 23,219
<b>Law Enforcement</b>	\$ 19,208
<b>Public Officials</b>	\$ 19,952
<b>Automobile</b>	\$ 36,769
<b>Excess Liability (Layers of \$1MM)</b>	\$ 44,625
<b>TOTAL</b>	<b>\$ 178,071</b>

### **REMARKS:**

- Contribution is due May 1, 2011.

### **EXCLUSIONS:**

- Bodily Injury from Amusement or Carnival Rides
- Absolute Pollution Exclusion and Mold Exclusion



# **DAWSON COMPANIES**

## *Ohio Municipal Joint Self-Insurance Pool*

### **THREE-YEAR COMMITMENT PROGRAM ADDENDUM**

#### **For The City of Gahanna**

**3-Year Option:** Three year commitment with 40% of Three year surplus prepaid year one and annual surplus contribution of 30% for the next two years

Effective: 04/01/2011 – 04/01/2012

Annual contribution: \$146,381

Surplus contribution: \$24,442

Total contribution year one: \$170,823

The contract issued will continue to be rated on an annual basis. The OMJSP will guarantee that the City's rate will not change, subject to the requirements listed below:

- 1) The member must achieve a loss ratio of 55% or lower, reviewed annually.
- 2) Contribution will change if exposures change.
- 3) The availability of acceptable reinsurance terms to the Pool

Attached is a sample calculation for comparison purposes only. This comparison is a tool for the City to use to see the savings available for a three year commitment.

The City will need to sign the attached document in agreement that they have selected the three year commitment.

Contributions are fully earned at inception and this is a three-year commitment that changes the member's participation agreement.

City of Gahanna  
Three-Year Commitment Program Example

		2011	2012	2013	Total
One Year Program	Contribution	\$155,701	\$155,701	\$155,701	\$467,103
	Surplus	<u>\$ 22,870</u>	<u>\$ 22,870</u>	<u>\$ 22,870</u>	<u>\$ 68,610</u>
	Total	\$178,071	\$178,071	\$178,071	\$535,713
Three Year Option	Contribution	\$146,381	\$146,381	\$146,381	\$439,143
	Surplus	<u>\$ 24,442</u>	<u>\$ 18,887</u>	<u>\$ 18,887</u>	<u>\$ 62,216</u>
	Total	\$170,823	\$165,268	\$165,268	\$501,359

**SAVINGS \$34,354**

**Three Year Option**

Three year commitment with 40% of three year surplus prepaid year one and annual surplus contributions of 30% for the next two years

**OHIO MUNICIPAL JOINT SELF-INSURANCE POOL**

**SELECTION OF**

**THREE YEAR COMMITMENT PROGRAM**

Contract Number: OML01395305.11

Effective Date: 04/1/2011

Pool Member: City of Gahanna

It is understood and agreed that the undersigned Pool Member:

\_\_\_\_\_ Has reviewed and selected the Three Year Commitment Option Two: Three Year Commitment with 40% of Three Year Surplus Prepaid Year One and 30% Surplus Contributions Year Two and Year Three.

\_\_\_\_\_ Authorized Pool Member Representative

Title \_\_\_\_\_ Date \_\_\_\_\_

\*The policy issued to the member will continue to be rated on an annual basis. Should the member select the three year option, the OMJSP will guarantee that the member's rate will not change, subject to the requirements listed below.

- 1) The member must achieve a loss ratio of 55% or lower, reviewed annually.
- 2) Premium will change if exposures change.
- 3) The availability of acceptable reinsurance terms to the Pool