



# Memo

**To:** Glencoe Public Library Board Finance Committee  
**From:** Andy Kim, Executive Director  
**cc:**  
**Date:** October 27, 2017  
**Re:** Library insurance proposals

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The Glencoe Public Library received proposals from three (3) insurance groups: Associated Agencies, Inc. of Rolling Meadows, Cook & Kocher of Park Ridge and The Kamm Group of Chicago.

**From Associated Agencies, Inc.:**

- Spectrum proposal (The Hartford) – commercial property and liability coverage
- Workers' Compensation proposal (The Hartford)
- Cyber liability insurance (Beazley)
- Management liability insurance (USLI) – option 1 of 2
- Management liability insurance (Travelers) – option 2 of 2

Beazley presents two (2) coverage options for cyber liability. Option 1 allows a data breach notification to be sent to up to 100,000 individuals and 250,000 for option 2. Option 2 costs \$259.00 more.

Travelers presents four (4) coverage options for management liability. The main differences between the options are added crime coverage (forgery, etc.) and retention. Pricing ranges from \$3,141.00 to \$4,644.00.

**From Cook & Kocher:**

- Commercial package, workers' compensation and umbrella coverage (Utica National)
- List of current library clients

Cook & Kocher's proposal includes crime coverage and management liability but has not presented a cyber liability insurance proposal. Although they do encourage the library to have coverage, Utica National does not provide it. If requested by the library, Cook & Kocher will seek the best options on our behalf.

**From The Kamm Group:**

- Commercial property, liability, workers' compensation and umbrella coverage (Hanover)
- Management liability insurance (USLI)
- Glencoe Public Library renewal totals from 2014 – 2016
- The Kamm Group service information flyer

The Kamm Group's main coverage plan includes crime, cyber liability and management liability. Cyber liability coverage is \$25,000 compared to \$1 million as presented by Beazley through Associated.

The Kamm Group has also provided proposals from Guide One, Chubb and Liberty Mutual, but decided to present Hanover as they are our current coverage provider and lowest cost option.

The Kamm Group also present two (2) other workers' compensation quotes from Accident Fund and CNA Insurance, but again, decided to present Hanover for the same aforementioned reasons.

Enclosed is also a comparison chart of limits, deductibles and total coverage amounts.

Sincerely,  
Andy Kim

**Glencoe Public Library - Insurance Proposals Review 2017**

<b>Coverage</b>	<b>The Kamm Group</b>	<b>Cook &amp; Kocher</b>	<b>Associated Agencies, Inc.</b>
<i>Commercial property</i>	<i>Hanover</i>	<i>Utica National</i>	<i>The Hartford</i>
Building	8,034,000.00	8,034,000.00	8,034,000.00
Coinsurance	agreed value	agreed value	agreed value
Deductible	1,000.00	1,000.00	1,000.00
Valuation	replacement cost	replacement cost	replacement cost
Personal property	3,152,408.00	3,152,408.00	3,152,408.00
Coinsurance	agreed value	agreed value	agreed value
Deductible	1,000.00	1,000.00	1,000.00
Valuation	replacement cost	replacement cost	replacement cost
Collection	included	included	?
Coinsurance	agreed value	agreed value	?
Deductible	1,000.00	1,000.00	?
Valuation	replacement cost	replacement cost	?
Flood	1,000,000.00	1,000,000.00	?
Deductible	50,000.00	25,000.00	?
Earthquake	1,000,000.00	1,000,000.00	1,000,000.00
Deductible	10%	10%	?
Business income with extra expense	actual loss	actual loss	included
Coinsurance	sustained	sustained	?
Backup - sewers and drains	included	50,000.00	included
Deductible	1,000.00	1,000.00	1,000.00
Equipment breakdown	included	included	included
Deductible	1,000.00	1,000.00	1,000.00
<i>Cyber liability</i>	<i>Hanover</i>	<i>N/A</i>	<i>Beazley</i>
Cyber liability	25,000.00		1,000,000 - 2,000,000
Data breach	10,000.00		1,000,000.00
<i>Crime</i>	<i>Hanover</i>	<i>Utica National</i>	<i>The Hartford</i>
Employee dishonesty	25,000.00	included but not broken	25,000.00
Forgery or alteration	50,000.00	down	25,000.00
Deductible	500.00		?
Money and securities - inside premises	10,000.00		10,000.00
Money and securities - outside premises	5,000.00		5,000.00
Computer fraud	10,000.00		5,000.00
Deductible	500.00		1,000.00

<b>Coverage</b>	<b>The Kamm Group</b>	<b>Cook &amp; Kocher</b>	<b>Associated Agencies, Inc.</b>
<i>Inland Marine</i>	<i>Hanover</i>	<i>Utica National</i>	
Electronic data processing - hardware	200,000.00	200,000.00	included but not specified
Deductible	1,000.00	1,000.00	1,000.00
Electronic data processing - software	included	included	10,000.00
Deductible	1,000.00	1,000.00	1,000.00
Fine arts	40,000.00	40,000.00	50,000.00
Deductible	1,000.00	1,000.00	1,000.00
<i>General liability</i>	<i>Hanover</i>	<i>Utica National</i>	
General aggregate	2,000,000.00	2,000,000.00	2,000,000.00
Products/completed operations aggregate	2,000,000.00	2,000,000.00	2,000,000.00
Personal/advertising injury	1,000,000.00	1,000,000.00	1,000,000.00
Each occurrence	1,000,000.00	1,000,000.00	1,000,000.00
Tenant legal liability	300,000.00	300,000.00	
Medical expenses (any one person)	10,000.00	10,000.00	10,000.00
Abuse/molestation	1,000,000.00	1,000,000.00	
Employee benefit liability (aggregate)	3,000,000.00	3,000,000.00	2,000,000.00
Each incident	1,000,000.00	1,000,000.00	
Deductible	1,000.00	1,000.00	1,000.00
Commercial automobile	1,000,000.00	N/A	1,000,000.00
<i>Workers' compensation</i>	<i>Hanover</i>	<i>Utica National</i>	<i>The Hartford</i>
Employers liability			
by accident	500,000.00	500,000.00	500,000.00
by disease (policy limit)	500,000.00	500,000.00	500,000.00
by disease (each empl)	500,000.00	500,000.00	500,000.00
8810 (Clerical) - est. pay	1,110,006.00	1,108,452.00	1,092,394.00
9101 (All other) - est. pay	66,073.00	64,513.00	65,437.00
<i>Umbrella</i>	<i>Hanover</i>	<i>Utica National</i>	
Limit of liability	5,000,000.00	5,000,000.00	5,000,000.00
Retained limit	10,000.00	10,000.00	?
<i>Management liability</i>	<i>USLI</i>	<i>Utica National</i>	<i>USLI</i>
D&O limit	2,000,000.00	1,000,000.00	see proposal
Retention	1,000.00	1,000.00	1,000 - 5,000
EPLI limit	2,000,000.00	1,000,000.00	see proposal
Retention	5,000.00	5,000.00	1,000 - 5,000

<b>Coverage</b>	<b>The Kamm Group</b>	<b>Cook &amp; Kocher</b>	<b>Associated Agencies, Inc.</b>
Package Total	15,036.00	12,074.00	17,547.00
Commercial	included	included	included
Cyber liability	included	N/A	1,380.00
Crime	included	included	included
Inland Marine	included	included	included
General liability	included	included	included
Workers' compensation	5,016.00	3,900.00	4,122.00
Umbrella	2,150.00	1,688.00	included
Management liability	2,544.00	included	2,514.00
<b>Final Cost</b>	<b>24,746.00</b>	<b>17,662.00</b>	<b>25,563.00</b> 1.00

\*Final cost for Associated Agencies, Inc. is the lowest calculated total based upon options delivered