Finance, Revenue & Insurance Committee
Tentative Minutes
March 13, 2012

1. Call to Order & Roll Call: Chairman Gouker called the meeting to order at 5:07 p.m. Present: Finfrock, Gronewold, Hopkins and White. Others: Kilker, Simms, Heuer, Barnes, DeArvil, Boes (arrived at 5:16), Treasurer John Coffman, Greg Query, Larry Callant, Fred Cederholm, Circuit Clerk Ron McDermott, County Engineer Curtis Cook, Health Dept. Administrator Doreen O'Brien and Marty Typer. Absent: Welty and Williams.

2. Approval of minutes – February 14, 2012: Motion by Gronewold to approve the minutes as presented, 2nd by Finfrock. Motion carried.

3. Approval of bills:
   - Treasurer: Motion by Gronewold to approve the bills totaling $1,578.21, 2nd by White. Motion carried.
   - Finance: Motion by Hopkins to approve the bills totaling $1,416.93, 2nd by Finfrock. Motion carried.

4. Reports:
   - Insurance:
     - Monthly insurance report: Mr. Query distributed his monthly report and mentioned the 2 claims that have been received; Sheriff and Highway departments.
     - Health Insurance monthly aggregate report: Treasurer Coffman distributed the monthly report.
     - Health Insurance – Deductible & HSA options review: Discussion was held regarding deductibles and HAS options. Mr. Query described the process his company took on switching to an HSA account. He stated the biggest hurdle is education; however he will provide the education as needed. Question was raised regarding the savings; Mr. Query stated it would approximately take 3 years to see the savings. Gouker asked if the insurance fund could possibly be used to contribute a portion to the employee's account; Coffman stated he is unsure if there are any restrictions however we do have to consider the outside agencies. Gronewold stated that this issue is a dead subject if the unions are not willing to participate; Mr. Query agreed and suggested to contact them first. Gouker would like to start at a lower deductible and work the way up to the $2500 deductible. Gouker and Hopkins will get in contact with Sheriff Harn and his union.
     - Other insurance review & discussion: Mr. Query briefly discussed the property insurance and noted it will be up for renewal in May.

     Gouker questioned the status of the IPRF Safety grant. Coffman stated the paperwork has been submitted. Gouker mentioned that he received the quote for the ladder in the County Clerk's office; $1,550. Hopkins suggested that the ladder comes first and remaining money will be used for the Highway Dept. request. Gouker stated they will wait until the money is received before moving forward.
   - Finance: None
   - Treasurer: None

5. Review, update & planning discussion
   - Treasurer – revenue: property tax & state revenue update: Coffman stated no additional income tax payments have been received. Discussion continued.

6. Old Business –
   - Discussion – FY2012 budget review: None
   - Walgreens settlement: Gouker stated it is on hold.
   - Early debt retirement options & discussion: None
   - Other: None

7. New Business –
   - Resolution: Ogle County as Trustee / Parcel 24-24-384-007: Motion by Hopkins to recommend the Ogle County as Trustee Resolution to the full County Board, 2nd by Finfrock. Motion carried.

Query INSURANCE AGENCY, INC.

Independent Insurance Agent
The Trusted Choice

Ogle County
Insurance Committee
March 13, 2012

Changes:

1. None

Claims:

1. Inmate claims he slipped and fell on water in jail.

Need:

1.None

Items to Discuss:

1. Follow-up on Group Health Insurance Options
   A. Deductible Options
   B. HSA Options
   C. Wellness
   D. Other Plan Savings Options
      - -Defined Contribution Plans
      - -Spousal Carve-out
        - -Looked at in 2011
        - -Appears to be pushing healthy spouses to other plans
      - -Dependent eligibility audit
      - -Other Networks
      - -On-site Clinics
        - -Can take the average doctor visit and cut down to as much as 50% of the normal cost.
      - -Retiree Carve-out
        - -Outside companies can write the coverage and it protects the loss ratio of the plan.
      - -MRI/Cat Scan Network

   E. We will be looking at the self-insured market as well as the fully insured markets again this year.

330 May Mart Drive, Rochelle, IL 61068 Phone (815) 562-4152
Fax (815) 562-2126 ~ www.queryinsurance.com ~ mail@queryinsurance.com

2. Property Insurance Review at March meeting

Deductible Options

What other employers are doing...

A combined regional study by interview/survey from various resources (The Alliance, Group Administrators, ECOH and other sources) indicate that the average private sector deductible is around $1,000-$1,100 and the average public sector deductible is around 50% of those in the private sector ($500-$650).

Deductible Options:

$750 – Savings estimate of $34,000 (1%)
$1,000 – Savings Estimate of $62,250 (2%)
$2,500 – Savings Estimate of $178,750 (6%)

HSA* Deductible Options:

$1,200 at 80% coinsurance – Savings Estimate of $73,500 (2%)
$1,200 at 100% coinsurance – No Savings
$2,500 at 80% coinsurance – Savings Estimate of $142,000 (4%)
$2,500 at $100% coinsurance – Savings Estimate of $65,000 (2%)

*See attached HSA information for details on how they work.

*Savings are estimates on potential claims savings

Wellness Program

Enabling a wellness service that can reach out to the individual can help keep claims cost under control by proactively addressing health issues.

-Helps to identify undiagnosed conditions for early treatment
-Treats side effects conditions
-Provides early detection

Costs:

Group Administrators-**$3.50 - $6 ee/mo** est.
-Cost depends on the program that you choose.
-Bronze - Silver - Gold

Tangerine Wellness--**$3.50 - $6** ee/mo est.
-Cost depends on the program that you choose.
-Bronze - Silver - Gold

Rochelle Community Hospital
-**$50 flat fee per employee** ($50 x 220 - $11,000)
-Suggests doing it every other year
-Includes Lipid & Glucose screening
-Blood testing including
-Height & Weight measurements
-20 page breakdown of results for employee
-Overall results (not individual) shared with employer

Rockford Health System-See attached Brochure
-$18-$100 flat per year

Ogle County

Property & Casualty Insurance Summary

Presented by:

Query Insurance Agency, Inc.
330 May Mart Drive
Rochelle, IL 61068
(815) 561-0115

Independent Insurance Agent®

Query INSURANCE AGENCY, Inc.

Independent Insurance Agent®

Ogle County

Insurance Summary

March 13, 2012

PROPERTY

Blanket Building & Contents (Replacement Cost)		
As per Statement of Values	$	48,853,004.00
Business Income	$	100,000.00
Extra Expense	$	500,000.00
Mechanical Breakdown		
Subject to Deductible	$	2,500.00
Ordinance or Law Coverage		
Loss to undamaged portion of building		$250,000.00
Demolition co incl.		
Increased cost of construction		10%
Earthquake-Subject to $50,000 Deductible	$	5,000,000.00
Flood		Not Covered
Boiler- Repair and Replacement		incl.

**Property coverages are subject to a 90% coinsurance agreement and a $2,500 deductible.

**Policy includes Agreed Amount endorsement & Replacement Cost coverage.

CRIME

Valuable Paper - $1,000 Deductible - Courthouse and Sheriff's Dept.	$	250,000.00
Money & Securities -$500 Deductible		
On Premises	$	10,000.00
Off Premises	$	10,000.00
Public Employees Honesty Blanket Bond	$	50,000.00

COMPUTER

Processing Equipment - Hardware and Software	$	360,000.00
Assessor's Office		
1 ea. Nobilis File Server with		
Internal Tape Drive @ 7,000.00		
Circuit Clerk's Office		
1 IBM ASA400 Type 9406-520$ $50,000		
4 Nomad Systems @ 31,135 each		
County Clerk's Office		
1 Dell 2003 Server @$9,015.00		
Sheriff's Dept -See Schedule -$169,395.00		
Data and Media Limit	$	10,000.00
Loss of Income and Extra Expense	$	10,000.00
In Transit and Away from Premises Limit	$	50,000.00
Duplicate and Backup Data and Media Limit	$	2,000.00
ETEAM Perils		incl.
Blanket Coverage		incl.

**Replacement cost coverage included.

**Computer policy is subject to a $1,000 Basic Policy Deductible, a $2,500 Specified Losses Deductible, and an 80% coinsurance agreement.

INLAND MARINE

Contractors Equipment	$	1,266,097.00
Misc. Contractors Tools & Equipment	$	1,703,360.00
Radio Towers & Equipment	$	737,934.00
Misc. Electronic Equipment	$	489,190.00
Camera Equipment	$	77,300.00
Fine Arts Floater (Civil War Currency)	$	7,500.00
Portable Computer Hardware	$	703,540.00

**All of the above items are insured against "Special Perils" which is on a named exclusions basis. Exclusions include but are not limited to items such as wear & tear, deterioration, neglect, flood, war, earthquake, sewer backup, etc...

**Inland Marine is subject to a $1,000 deductible and is as per schedule on file with the company.

GENERAL LIABILITY

All Coverages - (Other than Products/Completed Operations & Public Officials Liability		
Aggregate Limit	$	1,000,000.00
Bodily Injury & Property Damage	$	3,000,000.00
Personal Injury & Advertising Liability	$	1,000,000.00
Products/Completed Operations	$	3,000,000.00
Occurrence Form		incl.
Watercraft Liability		incl.
Medical Payments	$	10,000.00
Premises Damage Liability	$	500,000.00
Law Enforcement Liability		
Aggregate	$	1,000,000.00
Subject to Deductible	$	10,000.00
Employee Benefit Liability		
Each Wrongful Act	$	1,000,000.00
Total Limit	$	3,000,000.00
Subject to Deductible	$	1,000.00
Claims-made form		incl.
Retro Date		Unlimited
Cemetery Liability		incl.
Public Officials Liability		
Each Wrongful Act	$	1,000,000.00
Total Limit	$	1,000,000.00
Subject to deductible	$	10,000.00
Retroactive Date		5/21/1986
Claims-made form	incl.	
Employment Practices Liability (Hiring & Firing)	$	1,000,000.00
Aggregate	$	3,000,000.00
Subject to Deductible	$	1,000.00
Retroactive Date		5/21/1986
Defense within limits	incl.	
Claims-made form	incl.	
Pesticide/Herbicide Liability		
Aggregate	$	300,000.00
Terrorism coverage	Not Covered	
Exclusions- See policy for details		

Additional Insureds: Byron Forest Preserve District, Village of Forreston, Ferrellgas, Ogle County Farm Bureau, Buffalo Township, Rochelle Assoc Ltd Partnership (Recycling Centers)

**All elected or appointed officials & employees are included as additional insured

AUTOMOBILE

Covered Autos as per Schedule		
Limit of Liability	$	1,000,000.00
Per Occurrence		
Uninsured/Underinsured Motorists	$	1,000,000.00
Per Occurrence		
Medical Payments	$	10,000.00
Per Person		
Comprehensive-As per schedule	$	2,000.00
Subject to deductible		
Collision-As per schedule	$	2,000.00
Subject to deductible		included
Hired & Non-owned Auto Liability	$	50,000.00
Hired & Non-owned Auto Physical Damage	$	2,000.00
Subject to deductible	$	30,000.00
Garagekeepers Liability (Confiscated cars)	$	500.00
Subject to deductible		

Loss Payees for Vehicles: Sovereign Leasing, LLC, Chrysler,
Ford Motor Credit, Lincoln State Bank

Additional Insured: Rochelle Township High School

EXCESS LIABILITY

Limit of Liability		
Per Occurrence	$	5,000,000.00
Annual Aggregate	$	5,000,000.00
Subject to Deductible	$	10,000.00

Coverages Provided:

Municipal Alliance: Property, Inland Marine, Auto, General Liability, Excess Liability

Cincinnati Insurance Co: Computer and Crime

**All companies are A rated or better by Best's Rating Guide.

**The attached outline of coverages is intended only as a brief summary of the coverages provided and is not a contract of insurance. Please refer to your policies for detailed information.

Statement of Values-Property

Property Item	Insured Amount
Courthouse	
Building	$ 10,284,041.00
Contents	$ 1,007,933.00
Property in Open	$ 50,000.00
Safety Building	
Building	$ 3,917,048.00
Contents	$ 83,788.00
Highway Department	
Office Building	$ 3,108,007.00
Contents	$ 143,108.00
Property in Open	$ 15,652.00
Butler Building	$ 377,676.00
Salt Bin #1	$ 136,698.00
Salt Bin #2	$ 136,698.00
Raido Transmitting Bldg. -Rt 64 East (Mulford Tower)	
Building	$ 12,126.00
Contents	Incl. in Inland Marine
Radio Transmitting Bldg. -Rt 64 West (Liberty Hill)	
Building	$ 7,212.00
Contents	Incl. in Inland Marine
Focus House #1	
Building	$ 671,683.00
Contents	$ 72,033.00
Focus House #2	
Dwelling	$ 423,818.00
Contents	$ 39,303.00
Corn Crib	Not Covered
Contents of Outbuildings	$ 8,403.00
Multi-Purpose Building #1	$ 1,795,516.00
Contents	$ 57,325.00
Building #2-Office/Classrooms	$ 1,209,281.00
Contents	$ 106,000.00
Morton Garage	$ 107,203.00
Frame Barn	$ 460,575.00
Portable Framed Classrooms	$ 118,663.00
Contents	$ 10,600.00
Focuse House #3	
Dwelling	$ 321,328.00
Contents	$ 40,127.00
Garage	$ 35,726.00

Statement of Values-Property (Cont.)

Probation Office -- Rochelle		Not Covered
Sheriff Department		
Office Building	$	1,480,396.00
Contents	$	400,000.00
Butler Building- Garage	$	358,444.00
Quonset Building	$	202,007.00
Coroner's Building	$	789,429.00
Contents	$	16,361.00
Building #1 - Storage	$	84,334.00
Contents	$	43,460.00
Building #2 - Storage	$	84,334.00
Contents	$	14,310.00
Storage Maintenance Garage	$	72,007.00
Weld Park		
Picnic Shelter	$	28,001.00
Restrooms (3)	$	11,695.00
Playground Equipment	$	6,000.00
Frame Shelter	$	27,780.00
Frame Shelter	$	19,953.00
Judicial Center		
Building	$	17,459,737.00
Contents	$	360,400.00
Health Dept. Office Complex-Pines Rd		
Building	$	2,060,707.00
Contents	$	152,879.00
Garage	$	29,765.00
Health Dept - Rochelle		
Contents	$	28,620.00
Flagg Rd - Single Family House	$	228,855.00

***The attached outline of coverage is intended only as a brief summary of the coverage provided and is not a contract of insurance. Please refer to your policies for detailed information.*

***All coverages are provided through the Cincinnati Insurance Company. An A rated company by Best's Rating Guide.*

Thank You For Letting Us Serve You!

♦ Other: Gronewold informed the Committee about the new state mandated testing on the elevators. Sheriff Harn received a quote from Kone; $6,944 for testing/updates per state law. It was noted that this will have to be done every 5 years. Gouker questioned if there are other companies to get a second opinion if Kone reports some issues. Discussion continued. Motion by White to recommend approval of the quote from Kone to do the testing/updates per the new state law, paid from the Finance Contingency line in the amount of $6,944, 2nd by Hopkins. Motion carried.

8. Committee comments or suggestions: None

9. Department Head comments or suggestions: None

10. Public comment and any other business or discussion: Mr. Typer questioned when the property tax bills will be mailed; Coffman stated he is unsure yet however he anticipates early May.

11. Adjournment: With no further business, Chairman Gouker adjourned the meeting. Time: 6:21 p.m.

Respectfully submitted,
Tiffany O' Brien