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IN REPLY REFER TO FILE NO.

January 17, 2017

Mr. Casey Toner
Better Government Association
Investigative Reporter
ctoner@bettergov.org

EP-1

Re: Freedom of Information Act Request

Dear Mr. Toner:

On January 9, 2017, the Village of Elmwood Park received your January 6, 2017, Illinois Freedom of Information Act (5 ILCS 140/1 *et seq.*) ("FOIA") request for the following records:

- "+ A copy of the most recent contract with Del Galdo Law Group and all other legal affiliates.
- + Copies of documents sufficient to show the date Del Galdo Law Group and all other legal affiliates were originally hired. + Copies of documents sufficient to show total payments to Del Galdo Law Group, Giglio & Del Galdo, or related companies in the following calendar years: 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015 and 2016.
- + Copies of documents sufficient to show the total municipal payments from SafeSpeed or municipal revenue from tickets involving SafeSpeed cameras for the following calendar years: 2009, 2010, 2011, 2012, 2013, 2014, 2015 and 2016.
- + Copies of all contracts and any other agreements with SafeSpeed, and copies of board meeting minutes that show votes to approve all contracts and any other agreements with Safespeed.
- + Documentation showing any and all agreements with insurance brokers hired since 2010. This should also show the date the brokers were hired and whether the insurance brokers are still employed."

Please be advised that the Village of Elmwood Park maintains no documents responsive to the first three items of your FOIA request. Enclosed please find the records responsive to item four of your

STORINO, RAMELLO & DURKIN

Mr. Casey Toner
January 17, 2017
Page 2

FOIA request. However, please be advised that certain information in the records responsive to item four of your FOIA request has been determined to be exempt from disclosure under FOIA. Accordingly, such information has been redacted from the records being provided.

Section 7(1)(b) of FOIA provides that "private information" is exempt from disclosure. "Private information" is defined in FOIA as, "unique identifiers, including a person's social security number, driver's license number, employee identification number, biometric identifiers, personal financial information, passwords or other access codes, medical records, home or personal telephone numbers, and personal email addresses. Private information also includes home address and personal license plates, except as otherwise provided by law or when compiled without possibility of attribution to any person." 5 ILCS 140/2(c-5). Consequently, certain unique identifiers, such as signatures, have been redacted from the records being provided.

The person responsible for the decision to deny a portion of your FOIA request is the Village of Elmwood Park Freedom of Information Officer, Gina Pesko. In accordance with Section 9(a) of FOIA, you are hereby notified that you have the right to file a Request for Review regarding the decision made by the Village of Elmwood Park Freedom of Information Officer with the Public Access Counselor at the Illinois Attorney General's Office. You can file your Request for Review with the Public Access Counselor by writing to:

Sarah Pratt
Public Access Counselor
Office of the Attorney General
500 South 2nd Street
Springfield, Illinois 62706
Fax: 217-782-1396
E-mail: publicaccess@atg.state.il.us

If you choose to file a Request for Review with the Public Access Counselor, you must do so within 60 calendar days of the date of this letter. Please note that you must include a copy of your original FOIA request and this letter when filing a Request for Review with the Public Access Counselor.

You are also notified that you have the right to judicial review regarding the decision made by the Village of Elmwood Park Freedom of Information Officer pursuant to Section 11 of FOIA.

Sincerely,

STORINO, RAMELLO & DURKIN
Attorneys for the Village of Elmwood Park


Erin C. Tinaglia

Enclosures

RESOLUTION NO. 509-13

A RESOLUTION APPROVING THE PROPOSAL OF
MESIROW INSURANCE SERVICES FOR LIABILITY
AND WORKERS' COMPENSATION COVERAGE FOR
THE 12/1/13 – 11/30/14 POLICY TERM

PASSED AND APPROVED BY
THE PRESIDENT AND BOARD OF TRUSTEES
THIS 18 DAY OF NOVEMBER, 2013.

Published in Pamphlet form by
Authority of the Corporate
Authorities of Elmwood Park, Illinois
the 18 day of November, 2013.

RESOLUTION NO. 509 -13

**A RESOLUTION APPROVING THE PROPOSAL OF
MESIROW INSURANCE SERVICES FOR LIABILITY
AND WORKERS' COMPENSATION COVERAGE FOR
THE 12/1/13 – 11/30/14 POLICY TERM**

WHEREAS, the Village of Elmwood Park has retained the services of Mesirow Insurance Services, Inc. (hereinafter "Mesirow"), as its liability insurance broker; and

WHEREAS, Mesirow has presented various options to the corporate authorities of the Village for property and casualty and workers' compensation insurance coverage for the upcoming insurance year (12/1/13 – 11/30/14).

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Elmwood Park, Cook County, Illinois, as follows:

Section 1. The proposal from Mesirow for property and casualty insurance and workers' compensation coverage in the amount of \$1,123,153.00, a copy of which Premium Summary and Comparison is attached hereto as Exhibit "A", is hereby approved.

Section 2. This Resolution shall be in full force and effect upon its adoption as provided by law.

Resolved this 18 day of November, 2013.

AYES: 7
NAYS: Ø
ABSENT: Ø



VILLAGE PRESIDENT

ATTEST:


VILLAGE CLERK

The Public Entity Professionals of Mesirow Insurance Services, Inc. appreciates the opportunity to present the following renewal insurance proposal to the Village of Elmwood Park for the 12/1/13 - 14 policy term.

We have strived to work with the Village of Elmwood Park in controlling risk management costs through premium negotiation, loss control strategies and variable programs all designed to assist the Village management in their overall goals to administer the business of municipal leadership and fiscal responsibility.

We conducted another full marketing exercise for your insurance program due to the current market conditions. After years of rate reductions the carriers are now looking to raise rates, examine retention adequacy and more carefully review exposures. While there has not been any significant catastrophic events this year, 2012 was not a profitable year for many carriers with combined ratios for some over 100%. This low level of profitability combined with a low investment return environment has produced initial market responses of higher rates and retentions especially for lines of coverage that are experiencing loss activity.

To ensure the Village has the most comprehensive coverage at the lowest cost available, we approached 12 different insurance carriers. We marketed aggressively and negotiated strategically with your incumbents and other carriers to obtain a property and casualty renewal with a total all line increase of 6.50%. This is an excellent result in light of your recent loss history.

We have also provided the following liability deductible options that will provide the Village with \$43,000 in premium savings:

- Increase the General Liability and Auto Liability deductible from \$1,000 to \$10,000
- Increase the Law Enforcement, Public Officials and Employment Practices Liability from \$10,000 to \$25,000.

We are pleased to present a competitive insurance option from the Illinois Counties Risk Management Trust (ICRMT).

Property

Various factors have contributed to the minimal loss experience on the Village's property coverage. Primarily, it is the management and administration's efforts in addressing and reducing hazards wherever possible. The combined attitude, vigilance and work effort are demonstrative to the carriers.

Last year the Village of Elmwood Park's building limit was \$24,666,089 this year it decreased to \$24,397,554. The Village's contents limits' stayed the same at \$2,155,000. EDP limits remained at \$85,535. The decreases are the result of a free property appraisal done by the Illinois Counties Risk Management Trust. Please be advised that last year ICRMT has increased their minimum deductible on property from \$2,500 to \$5,000.

Please note that your Flood deductible is \$50,000.

Terrorism coverage (TRIA) is included for all lines of coverage in the ICRMT's quotation.

Equipment Breakdown

The ICRMT's Equipment Breakdown coverage includes full property limits with a \$5,000 deductible.

Crime

Crime coverage is included in the ICRMT's Proposal with a \$500,000 Limit for Employee Dishonesty and a \$1,000 deductible.

General Liability

The ICRMT is offering a \$1,000,000 per occurrence / \$3,000,000 aggregate quotation which is outlined in this proposal. The general liability has a \$1,000 per occurrence deductible. A dedicated \$9,000,000 excess limit provides additional coverage over the primary limits.

Law Enforcement Liability

The ICRMT is offering a \$1,000,000 per occurrence / \$3,000,000 aggregate quotation which is outlined in this proposal. Please note that these are separate limits. The law enforcement liability deductible is \$10,000 per occurrence. A dedicated \$9,000,000 excess limit provides additional coverage over the primary limits.

Auto Liability and Physical Damage

The Village's fleet exposure increased from 62 to 70 units while total values increased from \$3,562,499 to \$3,569,405. We ask the Village to double check the vehicle schedule and advise us of any needed changes. The ICRMT's program includes a \$1,000,000 combined single limit with no deductible for liability. The comprehensive and collision deductibles are \$1,000 each. A dedicated \$9,000,000 excess limit provides additional coverage over the primary limits.

Please note that the ICRMT has decreased the Uninsured/Underinsured Motorists limits from \$100,000 to \$40,000. More and more carriers are moving in this direction in order to limit the amount that can be paid on a claim.

Public Officials Liability including Employment Practices Liability (Claims Made)

The ICRMT is offering a quotation which is outlined in this proposal. Limits are \$1,000,000 with a \$10,000 deductible. Also included is a \$100,000 per occurrence / \$100,000 aggregate sublimit for Sexual Abuse and Molestation. A dedicated \$9,000,000 excess limit provides additional coverage over the primary limits. This is a Claim Made coverage form.

Workers Compensation

There is no simple answer to Workers' Compensation protection except that it takes a number of components to draw together focused on a single goal, and that is to help the Village of Elmwood Park work through the necessary steps of meeting the needs of its employees while respecting the budgetary restrictions. Workers Compensation in the State of Illinois keeps on getting worse. The State passed a workers compensation reform act, but carriers are still increasing rates as it is untested.

The ICRMT is offering limits of \$2,500,000 with no deductible. Last year the Village's payrolls were reflected at \$9,345,343. The payrolls for this year decreased to \$9,242,907.

In reviewing your claims, we have concluded that the Village continues to experience a frequency and severity problem. With that said, your experience modification is promulgated at 1.03. An experience modification is a mathematical formula that factors the frequency and severity of an insured's claims. A modification of 1.03 means that the Village is receiving a debit on its premium in the amount of 3% due to loss experience. A modification can be reduced to achieve a credit with the implementation of a dedicated and strict loss control plan. Minimally it would take three years of excellent losses to lower your modification. The Village's workers compensation premium is increasing from \$736,952 to \$789,966. A major factor for the increase is the increased cost of medical inflation in the State of Illinois. Illinois is considered one of the worst States with regard to medical inflation. Also, the PSEBA Act has a direct negative effect on all municipal workers compensation in the State.

Excess Liability

As the Excess Liability coverage is a function of the primary layers rate and exposures, its rates follow form. The ICRMT is providing excess liability limits at \$9,000,000 with no deductible. Please also note that workers compensation is excluded.

Summary

The Village's property and casualty premium is increasing from \$1,049,792 to 1,123,153 or 6.99%. The average municipal increase this year is 10%.

We truly appreciate the opportunity to present our proposal and look forward to discussing our enclosed comprehensive risk management program with you.

Premium Summary and Comparison - Casualty

Description	2009		2010		2011		2012		Option 1	
	ICRMT	First Dollar								
Package	\$	224,762	\$	261,391	\$	266,649	\$	275,129	\$	291,920
Property	Included in Package									
Boiler & Machinery	Included in Package									
General Liability	Included in Package									
Auto Liability & PD	Included in Package									
Law Enforcement	Included in Package									
Public Officials	Included in Package									
Employment Practices	Included in Package									
Crime	Included in Package									
Excess Liability	\$	43,049	\$	37,813	\$	37,202	\$	37,711	\$	41,267
Subtotal	\$	267,811	\$	299,204	\$	303,851	\$	312,840	\$	333,187
Percent Change P&C				11.72%		1.55%		2.96%		6.50%
Workers Compensation	\$	662,418	\$	754,550	\$	732,352	\$	736,952	\$	789,966
Loss Fund for Workers Compensation	N/A									
TOTAL	\$	930,229	\$	1,053,754	\$	1,036,203	\$	1,049,792	\$	1,123,153
Overall Percent Change				13.28%		-1.67%		1.31%		6.99%

RESOLUTION NO. 558-14

A RESOLUTION ACCEPTING THE PROPOSAL OF
MESIROW INSURANCE SERVICES FOR THE VILLAGE OF ELMWOOD PARK'S EMPLOYEE
BENEFITS INSURANCE PROGRAM FOR
THE 7/1/14 - 6/30/15 POLICY TERM

PASSED AND APPROVED BY
THE PRESIDENT AND BOARD OF TRUSTEES
THIS 2nd DAY OF JUNE, 2014.

Submitted in Pamphlet form by
Authority of the Corporate
Authorities of Elmwood Park, Illinois
day of June, 2014.

RESOLUTION NO. 558 -14

**A RESOLUTION ACCEPTING THE PROPOSAL OF
MESIROW INSURANCE SERVICES FOR THE VILLAGE OF ELMWOOD PARK'S
EMPLOYEE BENEFITS INSURANCE PROGRAM FOR
THE 7/1/14 - 6/30/15 POLICY TERM**

WHEREAS, the Village of Elmwood Park has retained the services of Mesirow Insurance Services, Inc. (hereinafter "Mesirow"), as its employee benefits program insurance broker; and

WHEREAS, Mesirow has presented various options to the corporate authorities of the Village for medical, dental, vision and life insurance, for the policy period from July 1, 2014 through June 30, 2015.

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Elmwood Park, Cook County, Illinois, as follows:

Section 1. The proposal from Mesirow for the Village's Employee Benefits Insurance Program in the amount of \$1,744,982.04, a copy of which proposal is attached hereto as Exhibit "A", is hereby accepted and the Village Manager is hereby authorized to execute said proposal on behalf of the Village of Elmwood Park.

Section 2. This Resolution shall be in full force and effect upon its adoption as provided by

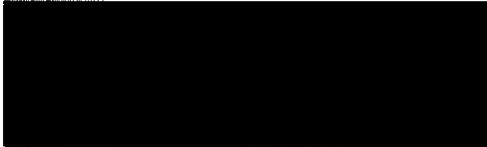
Resolved this 2nd day of June, 2014.

AYES: _____

NAYS: _____

ABSENT: _____

7
0
0


VILLAGE PRESIDENT


VILLAGE CLERK

EXHIBIT "A"

Mesirow Employee Benefits Insurance Program Proposal

RESOLUTION NO. 575-14

A RESOLUTION APPROVING A PROPOSAL FROM
MBSIROW INSURANCE SERVICES FOR PROPERTY, CASUALTY
AND WORKERS' COMPENSATION COVERAGE FOR
THE 12/1/14 – 11/30/15 POLICY TERM

PASSED AND APPROVED BY
THE PRESIDENT AND BOARD OF TRUSTEES
THIS 17th DAY OF NOVEMBER, 2014.

Published in Pamphlet form by
Authority of the Corporate
Authorities of Elmwood Park, Illinois
the 17th day of November, 2014

RESOLUTION NO. 575 -14

**A RESOLUTION APPROVING A PROPOSAL FROM
MESIROW INSURANCE SERVICES FOR PROPERTY, CASUALTY
AND WORKERS' COMPENSATION COVERAGE FOR
THE 12/1/14 - 11/30/15 POLICY TERM**

WHEREAS, the Village of Elmwood Park has retained the services of Mesirow Insurance Services, Inc. (hereinafter "Mesirow"), as its liability and workers' compensation insurance broker; and

WHEREAS, Mesirow has presented certain options to the corporate authorities of the Village for property and casualty and workers' compensation insurance coverage for the upcoming insurance year (12/1/14 - 11/30/15).

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Elmwood Park, Cook County, Illinois, as follows:

Section 1. The proposal from Mesirow for property and casualty insurance and workers' compensation coverage, described as Option 2 on the Premium Summary and Comparison - Casualty, a copy of which Summary is attached hereto as Exhibit "A", with a premium amount of \$1,093,708.00, is hereby accepted. The Village Manager is hereby authorized and directed to execute any contracts, memoranda or other documents on behalf of the Village of Elmwood Park to implement such insurance coverage.

Section 2. This Resolution shall be in full force and effect upon its adoption as provided by law.

Resolved this 17th day of November, 2014.

AYES: 7
NAYS: 0
ABSENT: 0



VILLAGE PRESIDENT

ATTEST:



VILLAGE CLERK

Premium Summary and Comparison - Casualty

Description	2011		2012		2013		Option 1 2014		Option 2 2014	
	ICRMT	First Dollar								
Property Package	\$ 266,649	\$ 275,129	\$ 291,920	\$ 310,464	\$ 310,464	\$ 310,464	\$ 310,464	\$ 310,464	\$ 310,464	\$ 310,464
Property	Included in Package									
Boiler & Machinery	Included in Package									
General Liability	Included in Package									
Auto Liability & PD	Included in Package									
Law Enforcement	Included in Package									
Public Officials	Included in Package									
Employment Practices	Included in Package									
Crime	Included in Package									
Excess Liability	\$ 37,202	\$ 57,711	\$ 41,267	\$ 49,039	\$ 49,039	\$ 49,039	\$ 49,039	\$ 49,039	\$ 49,039	\$ 49,039
Subtotal	\$ 303,851	\$ 332,840	\$ 333,187	\$ 359,503	\$ 359,503	\$ 359,503	\$ 359,503	\$ 359,503	\$ 359,503	\$ 359,503
Percent Change P&C	#REF!	2.96%	6.50%	7.98%	7.98%	7.98%	7.98%	7.98%	7.98%	7.98%
Workers Compensation	\$ 732,352	\$ 736,952	\$ 739,966	\$ 935,916	\$ 935,916	\$ 935,916	\$ 935,916	\$ 935,916	\$ 935,916	\$ 935,916
Safety Management Fee	N/A									
Loss Fund for Workers Compensation	N/A									
TOTAL	\$ 1,036,203	\$ 1,074,792	\$ 1,123,153	\$ 1,255,439	\$ 1,255,439	\$ 1,255,439	\$ 1,255,439	\$ 1,255,439	\$ 1,255,439	\$ 1,255,439
Overall Percent Change		1.31%	6.39%	15.34%	15.34%	15.34%	15.34%	15.34%	15.34%	15.34%



RESOLUTION NO. 595 -15

A RESOLUTION ACCEPTING THE PROPOSAL OF
MESIROW INSURANCE SERVICES FOR THE VILLAGE OF ELMWOOD PARK'S
EMPLOYEE BENEFITS INSURANCE PROGRAM FOR
THE 7/1/15 – 6/30/16 POLICY TERM

PASSED AND APPROVED BY
THE PRESIDENT AND BOARD OF TRUSTEES
THIS 1st DAY OF JUNE, 2014.

Published in Pamphlet form by
Authority of the Corporate
Authorities of Elmwood Park, Illinois
the 1st day of June, 2014.

RESOLUTION NO. 595 -15

**A RESOLUTION ACCEPTING THE PROPOSAL OF
MESIROW INSURANCE SERVICES FOR THE VILLAGE OF ELMWOOD PARK'S
EMPLOYEE BENEFITS INSURANCE PROGRAM FOR
THE 7/1/15 – 6/30/16 POLICY TERM**

WHEREAS, the Village of Elmwood Park has retained the services of Mesirow Insurance Services, Inc. (hereinafter "Mesirow"), as its employee benefits program insurance broker; and

WHEREAS, Mesirow has presented various options to the corporate authorities of the Village for medical, dental, vision and life insurance, for the policy period beginning July 1, 2015 and ending June 30, 2016.

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Elmwood Park, Cook County, Illinois, as follows:

Section 1. The proposal from Mesirow for the Village's Employee Benefits Insurance Program in the amount of \$1,865,155.92, a copy of which proposal is attached hereto as Exhibit "A", is hereby accepted and the Village Manager is hereby authorized to execute said proposal on behalf of the Village of Elmwood Park.

Section 2. This Resolution shall be in full force and effect upon its adoption as provided by law.

Resolved this 1st day of June, 2015.

AYES: 6
NAYS: 0
ABSENT: 1



VILLAGE PRESIDENT

ATTEST:



VILLAGE CLERK

By Kem Palmer Deputy Clerk

EXHIBIT "A"

Mesirow Employee Benefits Insurance Program Proposal

Employee Benefits Insurance Program

Mesirow Financial

Employee Benefits Program Proposal

Name Insured: Village of Elmwood Park
11 Conti Parkway
Elmwood Park, IL 60707

Policy Period: 7/1/2015 to 6/30/2016

Coverage Line	Carrier	Annual Premium
Medical	BCBS of IL	\$1,738,657.44
Dental	Sunlife	\$107,252.04
Life AD&D	Standard	\$11,832.00
Vision	EyeMed	\$7,414.44
		\$1,865,155.92

Employees contribute 10% of the employee and dependent medical premium.

Employees contribute 100% of the dependent dental premium.

Employees contribute 100% to the vision premiums.

Retirees pay 100% of the medical and dental premiums.

Acceptance Statement:

Please accept this as a formal confirmation that all terms and conditions of the proposed insurance program are accepted effective 7/1/2015.



Signature of Official

VILLAGE MANAGER

Title

6-1-2015

Date

Village of Elmwood Park
Employee Benefits Insurance Program
Executive Summary

Mesirow Financial is pleased to present the renewal negotiations and marketing results for the Village of Elmwood Park employee benefits program July 1, 2015 – June 30, 2016 policy period. In anticipation of the program renewals, Mesirow Financial conducted a marketing campaign for the medical, dental and life and vision lines of coverage. The Village of Elmwood Park employee benefits presentation consists of original and negotiated program renewals, premium contribution alternatives, incumbent plan alternatives, alternative carrier marketing results, health plan benchmarking and Affordable Care Act guidance.

MEDICAL

BCBS of IL released a 10.8% premium increase to renew the current health program. Factors that contributed to the renewal action were three large claimants totaling \$380,626 in paid claims in the most recent twelve month claim period, a change in the demographic makeup of the group since the prior policy year renewal and medical/prescription drug trend. A favorable factor contributing to the renewal was the overall consistent plan utilization.

The marketplace yielded alternative quotes from insurance carriers Aetna, Humana and United Healthcare. Cigna declined to quote. Quotes from the carriers were as follows: Aetna – 1.9%, Humana 20.9% and United Healthcare – 16.6% above current program cost. Please note, the quoted premiums are not final and subject to individual medical claim underwriting and final plan enrollment. Based on the health insurance conditions disclosed during the application process, the insurance carriers will increase their quoted program cost. In addition, the quoted programs differ from the current BCBS policy in regard plan design benefits and provider network.

Mesirow Financial was successful in negotiating the BCBS of IL renewal to a revised 7.6% increase to renew the current program.

AFFORDABLE CARE ACT FEES

Effective January 1, 2014 employer plans were assessed fees to support the Affordable Care Act. The fees are updated each January 1st and billed to employers by the insurance carriers whom then remit the fees to the Federal government. Please note, all referenced ACA fees are included in the July 2015 renewal premium rates and will be adjusted at each policy year renewal to account for any calendar year changes to the fees. The Village is projected to pay \$67,396 for the 2015 ACA calendar year fees.

All employers are subject to the Transitional Reinsurance fee which is intended to stabilize premiums in the individual health insurance market by financing reinsurance programs. The Transitional Reinsurance fee assessed in 2014 was \$63 annually per enrolled member per month and has decreased to \$44 annually per enrolled member in 2015.

Fully insured employer plans are subject to the Health Insurance Industry fee which is intended to assist with the funding of premium subsidies and Medicaid expansion. The Health Insurance Industry fee is indefinite and was 2.3% of billed premium in 2014 has increased to 4% of billed premium in 2015.

DENTAL

Sunlife released a 13.0% premium increase to renew the current dental program.

The marketplace yielded one competitive quote from insurance carrier Assurant. The quoted program varies in regard to plan benefits and provider network. In addition, Assurant has recently announced that they are selling their health insurance division which would result in a new insurance carrier taking over the policy. Post sale, the policy will be subject to changes in premium cost, plan design and provider network.

Mesirow Financial was successful in negotiating the Sunlife renewal to a revised 10.0% increase to renew the current program.

LIFE AD&D

Coverage with Standard is in a rate guarantee and not subject to a renewal increase. The marketplace did not yield any competitive quotes.

VISION

Coverage with EyeMed is in a rate guarantee and not subject to a renewal increase. The vision policy is 100% paid for by the employees enrolled in the coverage. The marketplace yielded one competitive quote from VSP, however, the policy would be subject to a change in plan design and a significant change to the provider network.

RECOMMENDATIONS

Mesirow Financial's recommendation is to renew the BCBS of IL current program. The recommendation is due to the following factors: the renewal premium rates are medically underwritten and not subject to change and the plan design and provider network will renew with no changes. In addition, BCBS of IL is the leading insurance carrier in the state of Illinois in regard to market segment, customer service and provider network access.

Mesirow Financial's dental recommendation is to renew the Sunlife current program. The recommendation is due to the fact that the Village moved to Sunlife for a financial savings last year and the only competitive dental carrier is not viewed as stable as they are subject to a sale and the quoted plan design and provider network are changing from the current program offering.

Mesirow Financial's life ad&d recommendation is to renew the Standard current program. The recommendation is due to the fact that there is no increase in program cost and there are no competitive alternatives.

Mesirow Financial's vision recommendation is to renew the EyeMed current program. The recommendation is due to the fact that there is no increase in program cost and the only competitive carrier would result in a change in plan design and a significant change in provider network.

Mesirow Financial is grateful for the opportunity to present the July 1, 2015 – June 30, 2016 employee benefits program. We look forward to implementing the Village of Elmwood Park's renewal decisions and providing ongoing day to day support.

**Village of Elmwood Park
Total Billed Premium
Program Financial Recap**

Medical Policy	BCBS of IL	BCBS of IL	BCBS of IL
Employer & Employee Paid Premium	<i>Current</i>	<i>Renewal</i>	<i>Revised Renewal</i>
Estimated Monthly Premium	\$134,623.35	\$149,108.24	\$144,888.12
Estimated Annual Premium	\$1,615,480.20	\$1,789,298.88	\$1,738,657.44
Difference From Current Premium		\$173,818.68 (+10.8%)	\$123,177.24 (+7.6%)

Dental Policy	Sun Life	Sun Life	Sun Life
Employer & Employee Paid Premium	<i>Current</i>	<i>Renewal</i>	<i>Revised Renewal</i>
Estimated Monthly Premium	\$8,124.80	\$9,178.89	\$8,937.67
Estimated Annual Premium	\$97,497.60	\$110,146.68	\$107,252.04
Difference From Current Premium		\$12,649.08 (+13.0%)	\$9,754.44 (+10.0%)

Life AD&D Policy	Standard	Standard	Standard
Employer Paid Premium	<i>Current</i>	<i>Current</i>	<i>Current</i>
Estimated Monthly Premium	\$986.00	\$986.00	\$986.00
Estimated Annual Premium	\$11,832.00	\$11,832.00	\$11,832.00
Difference From Current Premium		\$0.00 (N/C)	\$0.00 (N/C)

Vision Policy	EyeMed	EyeMed	EyeMed
Employee Paid Premium	<i>Current</i>	<i>Current</i>	<i>Current</i>
Estimated Monthly Premium	\$617.87	\$617.87	\$617.87
Estimated Annual Premium	\$7,414.44	\$7,414.44	\$7,414.44
Difference From Current Premium		\$0.00 (N/C)	\$0.00 (N/C)

Estimated Monthly Premium	\$144,352.02	\$159,891.00	\$155,429.66
Estimated Annual Premium	\$1,732,224.24	\$1,918,692.00	\$1,865,155.92
Difference From Current Premium		\$186,467.76 (+10.8%)	\$132,931.68 (+7.7%)

RESOLUTION NO. 609-15

A RESOLUTION APPROVING A PROPOSAL FROM
MESIROW INSURANCE SERVICES FOR PROPERTY, CASUALTY
AND WORKERS' COMPENSATION COVERAGE FOR
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PASSED AND APPROVED BY
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Published in Pamphlet form by
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the 16 day of November, 2015

**A RESOLUTION APPROVING A PROPOSAL FROM
MESIROW INSURANCE SERVICES FOR PROPERTY, CASUALTY
AND WORKERS' COMPENSATION COVERAGE FOR
THE 12/1/15 – 11/30/16 POLICY TERM**

WHEREAS, the Village of Elmwood Park ("Village") has retained the services of Mesirow Insurance Services, Inc. ("Mesirow"), as its liability and workers' compensation insurance broker; and

WHEREAS, Mesirow has presented certain options to the corporate authorities of the Village for property and casualty and workers' compensation insurance coverage for the upcoming insurance year (12/1/15 – 11/30/16).

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Elmwood Park, Cook County, Illinois, as follows:

Section 1. The proposal from Mesirow for property and casualty insurance and workers' compensation coverage for the policy term of 12/1/15 – 11/30/16, described on the Premium Summary and Comparison – Casualty, a copy of which Summary is attached hereto as Exhibit "A", with a premium amount of \$1,177,268.00, is hereby accepted. The Village Manager is hereby authorized and directed to execute any contracts, memoranda or other documents on behalf of the Village of Elmwood Park to implement such insurance coverage.

Section 2. This Resolution shall be in full force and effect upon its adoption as provided by law.

Resolved this 16 day of November, 2015.

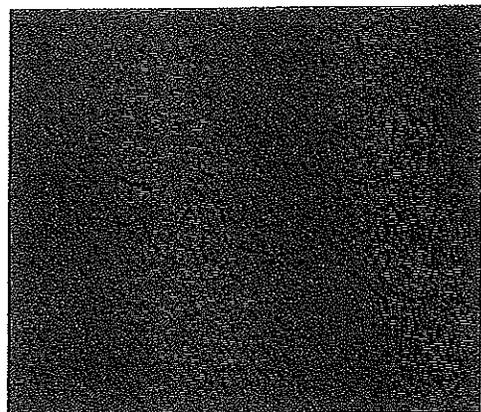
AYES: 7
NAYS: 0
ABSENT: 0

[Redacted Signature]

VILLAGE PRESIDENT

ATTEST:
[Redacted Signature]
VILLAGE CLERK

An Insurance Proposal Exclusively for
Village of Elmwood Park



**Property Casualty and Workers Compensation
Insurance Proposal
December 1, 2015 – December 1, 2016**

Presented by:

Michael Alesia
Senior Vice President
Insurance Services

Elizabeth Strahan
Account Manager
Insurance Services

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Insurance Services offered through Mesrow Insurance Services, Inc.

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Mesrow Financial[®]
INSURANCE SERVICES

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The Mesirow Financial Service Team

Our team of professionals is dedicated to providing quality service that will meet your ongoing needs. We encourage you to contact one of our team members to discuss any changes in your insurance situation.

Michael J. Mackey	Senior Managing Director	Direct-312.595.7900 Fax-312.595.7163 mmackey@mesirofinancial.com
Michael Alesia	Senior Vice President	Direct-312.595.7161 Fax-312.595.7163 malesia@mesirofinancial.com
Elizabeth Strahan	Account Manager	Direct-312.595.7148 Fax-312.595.7163 estrahan@mesirofinancial.com
Bruce Slayter, ARM	Managing Director	Direct-312.595.6295 Fax-312.595.6506 bslayter@mesirofinancial.com
Larry Rosen	Senior Vice President – Risk Management Services	Direct-312.595.8111 Fax-312.595.6506 lrosen@mesirofinancial.com
George Kalule	Senior Risk Control Consultant – Risk Management Services	Direct-312.595.8147 Fax-312.595.6506 gkalule@mesirofinancial.com
Jacqui Norstrom	Managing Director – Surety	Direct-312.595.6976 Fax-312.595.4374 jnorstrom@mesirofinancial.com

Claims Reporting: To reach a Mesirow Financial claims professional after 5:00 PM weekdays (EST) and weekends, please call 312.595.6200 and follow the prompts.

Executive Summary

The Public Entity Professionals of Mesirow Insurance Services, Inc. appreciates the opportunity to present the following renewal insurance proposal to the Village of Elmwood Park for the 12/1/15 - 16 policy term.

We have strived to work with the Village of Elmwood Park in controlling risk management costs through premium negotiation, loss control strategies and variable programs all designed to assist the Village management in their overall goals to administer the business of municipal leadership and fiscal responsibility.

We are pleased to present a competitive insurance option from the Illinois Counties Risk Management Trust (ICRMT).

PROPERTY

Various factors have contributed to the minimal loss experience on the Village's property coverage. Primarily, it is the management and administration's efforts in addressing and reducing hazards wherever possible. The combined attitude, vigilance and work effort are demonstrative to the carriers.

Last year the Village of Elmwood Park's building limit was \$25,129,480 and is increasing to \$25,506,422 or 1.4%. The Village's remains at \$2,163,500. EDP limits remained at \$85,535. The per occurrence deductible remains at \$5,000.

Please note that your Flood deductible is \$50,000.

Terrorism coverage (TRIA) is included for all lines of coverage in the ICRMT's quotation.

EQUIPMENT BREAKDOWN

The ICRMT's Equipment Breakdown coverage includes full property limits with a \$5,000 deductible.

CRIME

Crime coverage is included in the ICRMT's Proposal with a \$500,000 Limit for Employee Dishonesty and a \$1,000 deductible.

GENERAL LIABILITY

The ICRMT is offering a \$1,000,000 per occurrence / \$3,000,000 aggregate quotation which is outlined in this proposal. A dedicated \$9,000,000 excess limit provides additional coverage over the primary limits.

The deductible remains at \$10,000.

LAW ENFORCEMENT LIABILITY

The ICRMT is offering a \$1,000,000 per occurrence / \$3,000,000 aggregate quotation which is outlined in this proposal. Please note that these are separate limits. The law enforcement liability deductible is \$10,000 per occurrence. A dedicated \$9,000,000 excess limit provides additional coverage over the primary limits.

The deductible remains at \$25,000.

AUTO LIABILITY AND PHYSICAL DAMAGE

The Village's fleet exposure decreased from 75 to 72 units while total values increased from \$4,441,740 to \$4,455,882. We ask the Village to double check the vehicle schedule and advise us of any needed changes. The ICRMT's program includes a \$1,000,000 combined single limit with no deductible for liability. A dedicated \$9,000,000 excess limit provides additional coverage over the primary limits.

The auto liability deductible remains at \$10,000. The comprehensive and collision deductibles remain at \$1,000 each.

Please note that your Uninsured/Underinsured Motorists limits remain at \$40,000. More carriers are moving in this direction in order to limit the amount that can be paid on a claim.

PUBLIC OFFICIALS LIABILITY INCLUDING EMPLOYMENT PRACTICES LIABILITY (CLAIMS MADE)

The ICRMT is offering a quotation which is outlined in this proposal. Limits are \$1,000,000 with a \$10,000 deductible. Also included is a \$100,000 per occurrence / \$100,000 aggregate sublimit for Sexual Abuse and Molestation. A dedicated \$9,000,000 excess limit provides additional coverage over the primary limits. This is a Claim Made coverage form.

The deductible remains at \$25,000.

WORKERS COMPENSATION

There is no simple answer to Workers' Compensation protection except that it takes a number of components to draw together focused on a single goal, and that is to help the Village of Elmwood Park work through the necessary steps of meeting the needs of its employees while respecting the budgetary restrictions. Workers Compensation in the State of Illinois keeps on getting worse. The State passed a workers compensation reform act, but carriers are still increasing rates as it is untested.

The ICRMT is offering limits of \$2,500,000 with no deductible. The Village's payrolls are increasing from \$9,476,980 to \$10,166,078 or 7.3%

In reviewing your claims, we have concluded that the Village continues to experience a frequency and severity problem. With that said, your experience modification is promulgated at 1.26. Last year it was 1.06. An experience modification is mathematical formula that factors the frequency and severity of an insured's claims. A modification of 1.26 means that the Village is receiving a debit on its premium in the amount of 26% due to loss experience. The modification this year is costing the Village an additional \$42,625. A modification can be reduced to achieve a credit with the implementation of dedicated and strict loss control plan. Minimally it would take three years of excellent losses to lower your modification.

The Village moved from a guarantee cost program to a program with a \$300,000 Self-Insured Retention. The workers compensation premium is increasing from \$184,205 to \$213,125. The 2015-2016 forecast losses are at \$524,633. This is the amount the Village will need to be set aside to pay claims. Please note that this number changes year to year due to claims developing and closing over time.

Outside of claims, a major factor for the increase is the increased cost of medical inflation in the State of Illinois. Illinois is considered one of the worst States with regard to medical inflation. Also, the PSEBA Act has direct negative affect on all municipal workers compensation in the State.

The Village averages about 13.5 claims a year and the average cost per claim is \$40,686 which is double of where it should be at. About 5% of your claims are responsible for 95% percent of the total loss values, this is what is called a severity issue as mentioned above.

EXCESS LIABILITY

As the Excess Liability coverage is a function of the primary layers rate and exposures, its rates follow form. The ICRMT is providing excess liability limits at \$9,000,000 with no deductible. Please also note that workers compensation is excluded.

SUMMARY

The Village's property and casualty premium with a \$300,000 self-insured retention workers compensation program is increasing from \$1,093,708 to \$1,177,268 or 7.64%. Please note that this number includes estimated claims and a safety management fee.

We truly appreciate the opportunity to present our proposal and look forward to discussing our enclosed comprehensive risk management program with you.

RESOLUTION NO. 637 -16

A RESOLUTION ACCEPTING THE PROPOSAL OF
MESIROW INSURANCE SERVICES FOR THE VILLAGE OF ELMWOOD PARK'S
EMPLOYEE BENEFITS INSURANCE PROGRAM FOR
THE 7/1/16 – 6/30/17 POLICY TERM

PASSED AND APPROVED BY
THE PRESIDENT AND BOARD OF TRUSTEES
THIS 6th DAY OF JUNE, 2016.

Published in Pamphlet form by
Authority of the Corporate
Authorities of Elmwood Park, Illinois
the 6th day of June, 2016.

RESOLUTION NO. 637 -16

**A RESOLUTION ACCEPTING THE PROPOSAL OF
MESIROW INSURANCE SERVICES FOR THE VILLAGE OF ELMWOOD PARK'S
EMPLOYEE BENEFITS INSURANCE PROGRAM FOR
THE 7/1/16 – 6/30/17 POLICY TERM**

WHEREAS, the Village of Elmwood Park has retained the services of Mesirow Insurance Services, Inc. ("Mesirow"), as its employee benefits program insurance broker; and

WHEREAS, Mesirow has presented various options to the corporate authorities of the Village for medical, dental, vision and life insurance, for the policy period beginning July 1, 2016 and ending June 30, 2017.

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Elmwood Park, Cook County, Illinois, as follows:

Section 1. The proposal from Mesirow for the Village's Employee Benefits Insurance Program in the amount of \$2,078,775.54, a copy of which proposal is attached hereto as Exhibit "A", is hereby accepted and the Village Manager is hereby authorized to execute said proposal on behalf of the Village of Elmwood Park.

Section 2. This Resolution shall be in full force and effect upon its adoption as provided by law.

Resolved this 6th day of June, 2016.

AYES: 7
NAYS: 0
ABSENT: 0


VILLAGE PRESIDENT

ATTEST:

VILLAGE CLERK

EXHIBIT "A"

Mesirow Employee Benefits Insurance Program Proposal

Village of Elmwood Park
Employee Benefits Insurance Program
Executive Summary

Mesirow Financial is pleased to present the renewal negotiations and marketing results for the Village of Elmwood Park employee benefits program July 1, 2016 -- June 30, 2017 policy period. In anticipation of the program renewals, Mesirow Financial conducted a marketing campaign for the medical, dental, life and vision lines of coverage. The Village of Elmwood Park employee benefits presentation consists of original and negotiated program renewals, premium contribution alternatives, incumbent plan alternatives, alternative carrier marketing results, health plan benchmarking and Affordable Care Act guidance.

MEDICAL

BCBS of IL released a 13.8% premium increase to renew the current health program. Factors that contributed to the renewal action were eleven large claimants totaling \$801,172.16 in incurred claims in the most recent twelve month claim period and medical/prescription drug trend. A favorable factor contributing to the renewal was the positive change in the demographic makeup of the group since the prior policy year renewal.

The marketplace yielded alternative quotes from insurance carriers Aetna, Cigna, Humana and United Healthcare. Quotes from the carriers were as follows: Aetna – 15.8% below program costs, Cigna 15.3% below program costs, Humana 14.4% above program costs and United Healthcare – 4.6% above current program costs. Please note, the quoted premiums are not final. Both the Aetna and Cigna quotes are subject to individual medical claim underwriting and final plan enrollment. Both the Humana and United Healthcare quotes are subject to group medical claim underwriting and final plan enrollment. Based on the health insurance conditions disclosed during the application process, the insurance carriers will increase their quoted program cost. In addition, the quoted programs differ from the current BCBS policy in regard plan design benefits, frequency limitations and provider network.

Mesirow Financial was successful in negotiating the BCBS of IL renewal to a revised 9.3% increase to renew the current program.

AFFORDABLE CARE ACT FEES

Effective January 1, 2014 employer plans were assessed fees to support the Affordable Care Act. The fees are updated each January 1st and billed to employers by the insurance carriers whom then remit the fees to the Federal government. Please note, all referenced ACA fees are included in the July 2016 renewal premium rates and will be adjusted at each policy year renewal to account for any calendar year changes to the fees. The Village is projected to pay \$57,510.39 for the 2016 ACA calendar year fees.

All employers are subject to the Transitional Reinsurance fee which is intended to stabilize premiums in the individual health insurance market by financing reinsurance programs. The Transitional Reinsurance fee assessed in 2014 was \$63 annually per enrolled member per month, decreased to \$44 annually per enrolled member per month in 2015 and in 2016 (the last and final year of the program), \$27 per enrolled member per month.

Fully insured employer plans are subject to the Health Insurance Industry fee which is intended to assist with the funding of premium subsidies and Medicaid expansion. The Health Insurance Industry fee is

indefinite and was 2.3% of billed premium in 2014, increased to 4% of billed premium in 2015 and dropped back down to 3.75% in 2016. In 2017, the health insurance fee has been suspended.

DENTAL

Sun Life released an 8.6% premium increase to renew the current dental program.

The marketplace yielded four competitive quotes. Three of the four competitive quotes would result in varying plan benefit changes and frequency limits, as well as network access. The fourth quote, MetLife, would match the plan benefits and improve upon frequency limits, as well as provide larger network access at 0.1% savings from current premiums. The Village was previously with MetLife before moving to Sun Life two years ago. Dental programs are not subject to dental claim underwriting and assuming there is no change in demographics by more than 10%, the quoted rates are final.

Mesirow Financial was successful in negotiating the Sun Life renewal to a revised 7.0% increase to renew the current program.

LIFE AD&D

The Standard released a 47.1% premium increase to renew the current life ad&d program.

The marketplace yielded two competitive quotes. MetLife would match the current benefit schedule at no increase to current rates. Dearborn National quoted the existing plan at a 21.8% increase in rates but additionally, BCBS of IL would also offer a 0.5% discount on the revised renewal premiums if life ad&d coverage was placed with Dearborn National.

Mesirow Financial was successful in negotiating the Standard renewal to a revised 35.3% increase to renew the current program.

VISION

EyeMed released a 3.0% renewal increase to renew the current voluntary vision program. The vision policy is 100% paid for by the employees enrolled in the coverage.

The marketplace yielded one competitive quote from VSP, however, the policy would be subject to a change in plan design and a significant change to the provider network.

Mesirow Financial was successful in negotiating the EyeMed renewal to a revised 0.0% increase to renew the current program.

RECOMMENDATIONS

Mesirow Financial's recommendation is to renew the BCBS of IL current program. The recommendation is due to the following factors: the renewal premium rates are medically underwritten and not subject to change and the plan design and provider network will renew with no changes. In addition, BCBS of IL is the leading insurance carrier in the state of Illinois in regard to market segment, customer service and provider network access.

Mesirow Financial's dental recommendation is to move coverage to MetLife. The recommendation is due to the fact that the Village moved to Sun Life for a financial savings two years ago from MetLife. MetLife has provided a 1st year renewal rate cap of 7.0% and a 2nd year renewal rate cap of 7.0% as well. The MetLife network also is a slightly larger provider network in the Chicagoland area.

Mesirow Financial's life ad&d recommendation is to move to Dearborn National. The recommendation is due to the fact while the life ad&d insurance premium would increase; the Village would save money overall by getting a 0.5% discount on their BCBS medical premiums.

Mesirow Financial's vision recommendation is to renew the EyeMed current program. The recommendation is due to the fact that there is no increase in program cost and the only competitive carrier would result in a change in plan design and a significant change in provider network.

Mesirow Financial is grateful for the opportunity to present the July 1, 2016 – June 30, 2017 employee benefits program. We look forward to implementing the Village of Elmwood Park's renewal decisions and providing ongoing day to day support.

Employee Benefits Insurance Program

Mesirow Financial

Employee Benefits Program Proposal

Name Insured: Village of Elmwood Park
11 Conti Parkway
Elmwood Park, IL 60707

Policy Period: 7/1/2016 to 6/30/2017

Coverage Line	Carrier	Annual Premium
Medical	BCBS of IL	\$1,952,070.60
Dental	MetLife	\$104,585.52
Life AD&D	Dearborn National	\$14,717.70
Vision	EyeMed	\$7,401.72
		\$2,078,775.54

Employees contribute 10% of the employee and dependent medical premium.
Employees contribute 100% of the dependent dental premium.
Employees contribute 100% to the vision premiums.
Retirees pay 100% of the medical and dental premiums.

Acceptance Statement:

Please accept this as a formal confirmation that all terms and conditions of the proposed insurance program are accepted effective 7/1/2016.

Signature of Official

Title

Date

RESOLUTION NO. 654 -16

A RESOLUTION APPROVING A PROPOSAL FROM
MESIROW INSURANCE SERVICES FOR PROPERTY, CASUALTY
AND WORKERS' COMPENSATION COVERAGE FOR
THE 12/1/16 – 11/30/17 POLICY TERM

PASSED AND APPROVED BY
THE PRESIDENT AND BOARD OF TRUSTEES
THIS 7th DAY OF NOVEMBER, 2016.

Published in Pamphlet form by
Authority of the Corporate
Authorities of Elmwood Park, Illinois
the 7th day of November, 2016

RESOLUTION NO. 654 -16

**A RESOLUTION APPROVING A PROPOSAL FROM
MESIROW INSURANCE SERVICES FOR PROPERTY, CASUALTY
AND WORKERS' COMPENSATION COVERAGE FOR
THE 12/1/16 – 11/30/17 POLICY TERM**

WHEREAS, the Village of Elmwood Park has retained the services of Mesirow Insurance Services, Inc. (hereinafter "Mesirow"), as its liability and workers' compensation insurance broker; and

WHEREAS, Mesirow has presented certain options to the corporate authorities of the Village for property and casualty and workers' compensation insurance coverage for the upcoming insurance year (12/1/16 – 11/30/17).

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Elmwood Park, Cook County, Illinois, as follows:

Section 1. The proposal from Mesirow for property and casualty insurance and workers' compensation coverage, a copy of which Summary is attached hereto as Exhibit "A", with a premium amount of \$1,177,543.00, is hereby accepted. The Village Manager is hereby authorized and directed to execute any contracts, memoranda or other documents on behalf of the Village of Elmwood Park to implement such insurance coverage.

Section 2. This Resolution shall be in full force and effect upon its adoption as provided by law.

Resolved this 7th day of November, 2016.

AYES: 6
NAYS: 0
ABSENT: 1

[Redacted Signature]

VILLAGE PRESIDENT

ATTEST:

[Redacted Signature]
VILLAGE CLERK

Exhibit "A"

Executive Summary

The Public Entity Professionals of Mesirow Insurance Services, Inc. appreciates the opportunity to present the following renewal insurance proposal to the Village of Elmwood Park for the 12/1/16 – 17 policy term.

We have strived to work with the Village of Elmwood Park in controlling risk management costs through premium negotiation, loss control strategies and variable programs all designed to assist the Village management in their overall goals to administer the business of municipal leadership and fiscal responsibility.

We are pleased to present a competitive insurance option from the Illinois Counties Risk Management Trust (ICRMT).

PROPERTY

Various factors have contributed to the minimal loss experience on the Village's property coverage. Primarily, it is the management and administration's efforts in addressing and reducing hazards wherever possible. The combined attitude, vigilance and work effort are demonstrative to the carriers.

Last year the Village of Elmwood Park's building limit was \$25,761,487 and is decreasing to \$23,976,769 or 7%. The Village's contents remain at \$2,163,500. EDP limits remained at \$85,535. The per occurrence deductible remains at \$5,000.

Please note that your Flood deductible is \$50,000.

Terrorism coverage (TRIA) is included for all lines of coverage in the ICRMT's quotation.

EQUIPMENT BREAKDOWN

The ICRMT's Equipment Breakdown coverage includes full property limits with a \$5,000 deductible.

CRIME

Crime coverage is included in the ICRMT's Proposal with a \$500,000 Limit for Employee Dishonesty and a \$1,000 deductible.

GENERAL LIABILITY

The ICRMT is offering a \$1,000,000 per occurrence / \$3,000,000 aggregate quotation which is outlined in this proposal. A dedicated \$9,000,000 excess limit provides additional coverage over the primary limits.

The deductible remains at \$10,000.

LAW ENFORCEMENT LIABILITY

The ICRMT is offering a \$1,000,000 per occurrence / \$3,000,000 aggregate quotation which is outlined in this proposal. Please note that these are separate limits. The law enforcement liability deductible is \$10,000 per occurrence. A dedicated \$9,000,000 excess limit provides additional coverage over the primary limits.

The deductible remains at \$25,000.

AUTO LIABILITY AND PHYSICAL DAMAGE

The Village's fleet exposure increased from 68 to 75 units while total values increased from \$4,632,942 to \$4,712,834. We ask the Village to double check the vehicle schedule and advise us of any needed changes. The ICRMT's program includes a \$1,000,000 combined single limit with no deductible for liability. A dedicated \$9,000,000 excess limit provides additional coverage over the primary limits.

The auto liability deductible remains at \$10,000. The comprehensive and collision deductibles remain at \$1,000 each.

Please note that your Uninsured/Underinsured Motorists limits remain at \$40,000. More carriers are moving in this direction in order to limit the amount that can be paid on a claim.

PUBLIC OFFICIALS LIABILITY INCLUDING EMPLOYMENT PRACTICES LIABILITY (CLAIMS MADE)

The ICRMT is offering a quotation which is outlined in this proposal. Limits are \$1,000,000 with a \$10,000 deductible. Also included is a \$100,000 per occurrence / \$100,000 aggregate sublimit for Sexual Abuse and Molestation. A dedicated \$9,000,000 excess limit provides additional coverage over the primary limits. This is a Claim Made coverage form.

The deductible remains at \$25,000.

WORKERS COMPENSATION

There is no simple answer to Workers' Compensation protection except that it takes a number of components to draw together focused on a single goal, and that is to help the Village of Elmwood Park work through the necessary steps of meeting the needs of its employees while respecting the budgetary restrictions. Workers Compensation in the State of Illinois keeps on getting worse. The State passed a workers compensation reform act, but carriers are still increasing rates as it is untested.

The ICRMT is offering limits of \$2,500,000 with no deductible. The Village's payrolls are decreasing from \$10,166,078 to \$9,195,750 or 9.5%

In reviewing your claims, we have concluded that the Village continues to experience a frequency and severity problem. With that said, your experience modification is promulgated at 1.32. Last year it was 1.26. An experience modification is mathematical formula that factors the frequency and severity of an insured's claims. A modification of 1.32 means that the Village is receiving a debit on its premium in the amount of 32% due to loss experience. A modification can be reduced to achieve a credit with the implementation of dedicated and strict loss control plan. Minimally it would take three years of excellent losses to lower your modification.

The Village moved from a guarantee cost program to a program with a \$300,000 Self-Insured Retention. The workers compensation premium is increasing from \$213,125 to \$220,859. The 2016-2017 forecast losses are at \$493,521. This is the amount the Village will need to be set aside to pay claims. Please note that this number changes year to year due to claims developing and closing over time.

Outside of claims, a major factor for the increase is the increased cost of medical inflation in the State of Illinois. Illinois is considered one of the worst States with regard to medical inflation. Also, the PSEBA Act has direct negative affect on all municipal workers compensation in the State.

The Village averages about 14 claims a year and the average cost per claim is \$35,164 which is almost double of where it should be at. About 5% of your claims are responsible for 95% percent of the total loss values, this is what is called a severity issue as mentioned above.

EXCESS LIABILITY

As the Excess Liability coverage is a function of the primary layers rate and exposures, its rates follow form. The ICRMT is providing excess liability limits at \$9,000,000 with no deductible. Please also note that workers compensation is excluded.

SUMMARY

The Village's property and casualty premium with a \$300,000 self-insured retention workers compensation program is increasing from \$1,152,268 to \$1,173,192 or 1.82%. Please note that this number includes estimated claims and a safety management fee.

We truly appreciate the opportunity to present our proposal and look forward to discussing our enclosed comprehensive risk management program with you.

Premium Summary and Comparison - Casualty

Description	2012	2013	2014	2015	2016
	ICRMT First Dollar	ICRMT First Dollar	ICRMT \$300K SIR WC Only	ICRMT \$300K SIR WC Only	ICRMT \$300K SIR WC Only
Package	\$ 275,129	\$ 291,920	\$ 310,464	\$ 367,667	\$ 405,838
Property	Included in Package	Included in Package	Included in Package	Included in Package	Included in Package
Boiler & Machinery	Included in Package	Included in Package	Included in Package	Included in Package	Included in Package
General Liability	Included in Package	Included in Package	Included in Package	Included in Package	Included in Package
Auto Liability & PD	Included in Package	Included in Package	Included in Package	Included in Package	Included in Package
Law Enforcement	Included in Package	Included in Package	Included in Package	Included in Package	Included in Package
Public Officials	Included in Package	Included in Package	Included in Package	Included in Package	Included in Package
Employment Practices	Included in Package	Included in Package	Included in Package	Included in Package	Included in Package
Crime	Included in Package	Included in Package	Included in Package	Included in Package	Included in Package
Excess Liability	\$ 37,711	\$ 41,267	\$ 49,039	\$ 46,843	\$ 52,954
Subtotal	\$ 312,840	\$ 333,187	\$ 359,503	\$ 414,510	\$ 458,812
		6.50%	7.90%	15.30%	10.69%
Workers Compensation	\$ 736,952	\$ 789,966	\$ 184,205	\$ 213,125	\$ 220,859
ICRMT Safety Management Fee	N/A	N/A	N/A	N/A	N/A
Loss Fund for Workers Compensation	N/A	N/A	\$ 500,000	\$ 524,633	\$ 493,521
TOTAL	\$ 1,049,792	\$ 1,123,153	\$ 1,043,708	\$ 1,152,268	\$ 1,173,192
		6.99%	-7.07%	10.40%	1.82%
Overall Percent Change	N/A	N/A	N/A	N/A	4.351
Option - Cyber & Security Liability	\$ 1,049,792	\$ 1,123,153	\$ 1,043,708	\$ 1,152,268	\$ 1,177,543
TOTAL		6.99%	-7.07%	10.40%	2.19%
Overall Percent Change					