

VILLAGE OF BARRINGTON HILLS

Insurance Committee NOTICE OF SPECIAL MEETING



Monday, December 2, 2014 ~ 10:00 a.m.
112 Algonquin Road

AGENDA

1. Organizational
 - 1.1 Call to Order
 - 1.2 Roll Call
2. Approval of Minutes
3. Health Plan
Lundstrom Insurance – Health and Dental Renewals 2015
[Recommendation]
4. Property/Casualty#@[U]`]m
Lundstrom Insurance – Coverage/Renewals 2015
[Recommendation]
5. Public Comment
6. Adjournment

Chairman: Michael Harrington

NOTICE AS POSTED

Call to Order 10:02a.m.

Members Present

Michael Harrington, Chairman
Fritz Gohl

Other Attendees

Boomer Whipple, Lundstrom Insurance
Michael Murphy, Chief of Police
Robert Kosin, Director of Administration

MINUTES

Reviewed minutes from November 15, 2013 Insurance Committee meeting. Motion to approve as submitted by Fritz Gohl, Michael Harrington seconded. All said aye, minutes approved.

HEALTH PLAN – LUNDSTROM INSURANCE

Boomer Whipple reviewed past annual trends toward year end performance. The estimate expects maintaining the status quo for the plan elements. Projection of costs is per county which confirmation will be undertaken as to the controlling County for Barrington Hills.

Details for expected premium costs will be available closer to time of renewal.

WELLNESS COVERAGE -

Boomer Whipple described a spectrum of programs that each may be considered a wellness program. Since the passage of the Affordable Care Act a wellness program is not reflected in the cost of the premium.

Rational reasons for a program may still be considered for other purposes such as productivity, minimize injuries and extend longevity. Promotion of annual physicals and BCBS health promotions is an effective program.

PROPERTY/CASUALTY – LUNDSTRUM INSURANCE

Lundstrum Insurance will review property and casualty coverage provide by Scottsdale with other carriers. A renewal application has been prepared and distributed with Travelers. Market trends predict a 1-4% increase in premiums for 2015 for property and casualty coverage.

Boomer Whipple advised that general market information forecast a 4% decrease in workmen's compensation. Credit is given to Village's past history and certificate of outstanding performance received from the Illinois Public Risk Fund (IPRF).

A timeline was reviewed with expected responses from the carriers by November.

PUBLIC COMMENTS

No persons present or comments received upon notice of the meeting.

There being no further business, Fritz Gohl motioned to adjourn and seconded by Michael Harrington at 11:10 a.m. All said aye.

Robert Kosin
Acting Recording Secretary



The Village of Barrington Hills

2015 Employee Benefit Program Renewal

Prepared by:

Boomer Whipple, CEBS
Partner – Senior Vice President

Kris Schwab, MHP
Senior Account Manager

December 2, 2014

Lundstrom
INSURANCE

Lundstrom

INSURANCE

December 2, 2014

Rosemary Ryba, CIMT
Treasurer
Village of Barrington Hills
112 Algonquin Rd
Barrington Hills, IL 60010

RE: January 1, 2015 Group Benefits Plan Renewals

Dear Rosemary:

Enclosed please find the BlueCross BlueShield of Illinois (BCBSIL) medical insurance renewal offer effective January 1, 2015 for Village of Barrington Hills. BCBSIL has issued the medical renewal with an increase of 3.61% for plan G513PPO. This percentage includes ACA fees and taxes for both current and renewal plans. Also, please note the census shown is based on enrollment at the time the BCBSIL renewal was prepared.

Village of Barrington Hills allocated \$311,250.00 in 2014 for Health Reimbursement Arrangement (HRA) funds. As of November 1, 2014, reimbursements in the amount of \$152,526.71 have been spent, 49% of total funds allocated. A Summary Utilization Report is enclosed reflecting reimbursements as of November 1, 2014.

The Open Enrollment period for your group medical plan is permitted from December 1 through December 31. If employees wish to make enrollment changes (i.e.-enroll themselves or previously waived dependents, switch plans or drop coverage), change forms must be signed and submitted prior to January 1. If the signature date is after December 31, the employee may not enroll until the next annual Open Enrollment period unless a Special Enrollment qualifying event occurs. *The Open Enrollment must be offered to all eligible employees and qualified COBRA eligibles and participants as well.* Open Enrollment changes will be effective January 1, 2015.

Also enclosed is the January 1, 2015 dental renewal offered by Ameritas. The dental renewal represents an increase of 6.98%. This plan includes a rider which satisfies the ACA essential health benefits requirement for pediatric dental.

The Dearborn National life and accidental death and dismemberment policy remains under rate guarantee for the period of January 1, 2014 through January 1, 2016.

The long term disability policy through Standard Insurance Company for Village of Barrington Hills remains under rate guarantee for the period of January 1, 2014 through January 1, 2017.

Thank you for your ongoing trust in Lundstrom Insurance. We appreciate the opportunity to continue to partner with Village of Barrington Hills.

Sincerely,



Boomer Whipple, CEBS
Partner – Senior Vice President



Kris Schwab, MHP
Senior Account Manager

Enclosures

Medical

Village of Barrington Hills
Financial Analysis: BlueCross BlueShield Medical Renewal
Renewal Date: January 1, 2015

Non-Grandfathered Health Plans	CURRENT	RENEWAL
	BlueCross BlueShield IL <i>Non-Grandfathered</i>	BlueCross BlueShield IL <i>Non-Grandfathered</i>
	Blue PPO Gold HSA G513 PPO	Blue PPO Gold G513 PPO
Coinsurance (In/Out):	100/80	100/80
Deductible - Individual (In/Out):	\$4000/\$8000	\$4000/\$8000
Family (In/Out):	\$12000/\$24000	\$12000/\$24000
OV Copay PCP/Specialist:	Ded then 100%	Ded then 100%
Urgent Care Copay:	Ded then 100%	Ded then 100%
ER Copay:	Ded then 100%	Ded then 100%
Inpatient Copay (In/Out):	N/A	N/A
Outpatient Surgical Copay (In/Out):	N/A	N/A
OOP - Individual (In/Out):	\$4000/\$8000	\$4000/\$8000
Family (In/Out):	\$12000/\$24000	\$12000/\$24000
Rx Card:	Ded then 100%	Ded then 100%
Network:	PPO	PPO
Medical	*Census	
Employee	7	
Employee + Spouse	4	Individual Age Rates Applicable
Employee + Children	2	Individual Age Rates Applicable
Family	21	Refer to Rate Tables
Est. Monthly Medical Prem	\$34,988.12	\$36,250.66
Est. Annual Medical Prem	\$419,857.44	\$435,007.92
% of <i>increase</i> over current Med Prem		<i>3.61%</i>

* Census based on 1-1-2015 Renewal

NOTE: For illustration purposes only, not a contract. Refer to Certificate or Benefit Booklet for a more complete description of plan benefits and exclusion:

This contains information that is privileged, proprietary, confidential and exempt from disclosure.

Any dissemination, distribution or copying of this information is strictly prohibited without written consent of all parties that presented information.

BlueCross BlueShield of IL 2015 Coverage Options Terms and Conditions

This is only a summary and not exhaustive.

2015 ACA Plans

- * Total Monthly Premium includes the estimated Health Insurer and Reinsurance fees, plus any federal and state taxes applicable to these fees
- * Census based on BCBS 1/1/2015 Renewal.
- * Plans have Unlimited Lifetime Maximum.
- * Plans include 100% Preventive Services.
- * Deductibles and Coinsurance accumulate toward out-of-pocket maximum.
- * Premium rates for all plan options are for each individual covered.
- * BCBSIL will add **Pediatric Dental** EHBs to your BCBSIL coverage at an additional cost. The rate is \$42.00 per covered child up to age 21, but only for those enrollees eligible for these services, unless you notify BCBSIL that your employees/dependents (enrolled in applicable medical plan) have Pediatric Dental EHB coverage through another policy issued by another entity.
- * The Pediatric Dental Deductible and out-of-pocket are separate from medical. There will be no cross accumulation.
- * Pediatric Vision coverage will be embedded in the medical benefits. The coverage will be available for dependents up to age 19.
- * All of BCBSIL small group plans meet the minimum value standard as defined by ACA.
- * Inpatient/Outpatient Specific Deductibles are per occurrence and then Calendar Year Deductible and Coinsurance apply.
- * Prescription Drug Card - once the out-of-pocket expense is met, Rx will be covered at 100%.
- * 5 Tier Drug Benefit = Preferred Generic/Non-Preferred Generic/Formulary Brand/Non-Formulary Brand/Specialty
- * Rx Formulary - PPO plans use Standard formulary; Blue Choice and Blue Precision HMO use Generics Plus formulary.
- * Abortions will only be covered in the instances of rape, incest, and life endangerment.
- * Deductibles, Per Occurrence Deductibles, Copayments, and Coinsurance accumulate toward out-of-pocket maximum including Rx copayments.



BlueCross BlueShield
of Illinois

Small Group Business

Account Name: VILLAGE OF BARRINGTON HILLS
 Account Number: 595679
 Renewal Effective Date: 01/01/2015

Rep: IL Mktg Operations
 Agent: LUNDSTROM INSURANCE AGENCY, INC.

Plan #	PlanType	Ded In/Out	Office Copay	Coins % In/Out	OPX In/Out	Pharmacy
G513PPO	Gold	\$4000/\$8000	NA/NA	100%/100%	\$4000/\$8000	100%

Age	Total Monthly Health Cost*	Age	Total Monthly Health Cost*	Age	Total Monthly Health Cost*	Age	Total Monthly Health Cost*	Age	Total Monthly Health Cost*	Age	Total Monthly Health Cost*
< 21	\$178.32	28	\$305.24	36	\$345.40	44	\$392.29	52	\$548.14	60	\$762.12
21	\$280.81	29	\$314.23	37	\$347.64	45	\$405.49	53	\$572.86	61	\$789.08
22	\$280.81	30	\$318.72	38	\$349.89	46	\$421.22	54	\$599.53	62	\$806.77
23	\$280.81	31	\$325.46	39	\$354.38	47	\$438.91	55	\$626.21	63	\$828.96
24	\$280.81	32	\$332.20	40	\$358.88	48	\$459.13	56	\$655.13	64	\$842.43
25	\$281.93	33	\$336.41	41	\$365.62	49	\$479.06	57	\$684.34	65 +	\$842.43
26	\$287.55	34	\$340.91	42	\$372.08	50	\$501.53	58	\$715.51		
27	\$294.29	35	\$343.15	43	\$381.06	51	\$523.71	59	\$730.95		

*Total Monthly Health Cost includes the effects of Health Insurer and Reinsurance Fees; plus any federal and state taxes applicable to these fees.



Health Reimbursement Arrangement

VILLAGE OF BARRINGTON HILLS

Ameriflex HRA

Plan Year: 1/1/2014 - 12/31/2014

Account Balance Report as of 11/1/2014

Number Enrolled: 34

Annual Election	Total Disbursed	Available Balance
\$311,250.00	\$152,526.71	\$158,723.29

YTD Utilization: 49.00%



Dental



Village of Barrington Hills
Financial Analysis: Ameritas Dental
Renewal Date: January 1, 2015

	CURRENT	RENEWAL
	AMERITAS GROUP	AMERITAS GROUP
Coinsurance (In):	100/100/60	100/100/60
Coinsurance (Out):	100/80/50	100/80/50
OON Reimbursement:	90th U&C	90th U&C
Deductible In/Out:	\$50/\$50	\$50/\$50
Family Deductible (In/Out):	\$150/\$150	\$150/\$150
Waived on Preventive:	Yes	Yes
Annual Maximum (In/Out):	\$2000/\$1500	\$2000/\$1500
Periodontics (Gum Disease):	Basic	Basic
Endodontics (Root Canals):	Basic	Basic
Orthodontics Lifetime:	50% to \$1500	50% to \$1500
Pediatric Dental:	Adult & Child Included	Adult & Child Included
DENTAL		
[^] Census		
Employee	5 \$50.04	\$53.52
Employee + Spouse	5 \$105.36	\$112.68
Employee + Children	6 \$144.76	\$154.88
Family	16 \$199.92	\$213.88
Est. Monthly Dental Premium	\$4,844.28	\$5,182.36
Est. Annual Dental Premium	\$58,131.36	\$62,188.32
% of <i>increase/decrease</i> over current		6.98%

[^] Census based on Ameritas 11/1/2014 billing statement.

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Daniel Jordan - Small Group Manager

Two Century Centre 1700 E Golf Road, Ste 175 / Schaumburg, IL 60173
Bus: 847-572-8243
E-mail: djordan@ameritas.com

November 7, 2014

Rosemary Ryba
Village Of Barrington Hills
112 Algonquin Rd
Barrington, IL 60010

Subject: Village Of Barrington Hills renewal effective January 1, 2015 Policy Number 010.030675

Thank you for choosing an Ameritas Dental Plan.

We're proud to provide plans that help employees get the dental coverage they need for good health, and we'll work hard to keep earning the privilege of insuring Village Of Barrington Hills.

A team of associates with actuarial, administrative, marketing, and sales experience has prepared this renewal for the year beginning January 1, 2015. To predict your plan's future performance, we analyzed Village Of Barrington Hills's claims history and combined this with the historical data of all groups insured for similar benefits.

Premiums are calculated considering a health insurer fee required under the Affordable Care Act. For more information on health care reform, please visit ameritasgroup.com.

Based on this analysis, your Dental and Orthodontia rates will be adjusted. Effective 1/1/2015 through 12/31/2015, the following rates will apply:

Division 1/Class 1 DENTAL RATES	<u>CURRENT</u>	<u>RENEWAL</u>
Employee	\$ 50.04	\$ 53.52
Employee + Spouse	\$ 105.36	\$ 112.68
Employee + Child(ren)	\$ 144.76	\$ 154.88
Employee + Spouse + Child(ren)	\$ 199.92	\$ 213.88

To remain consistent with changing state and federal requirements under the Affordable Care Act, your pediatric dental benefits will be updated at your 2015 plan renewal date. Member out-of-pocket, deductible and/or coinsurance amounts may change for members of the pediatric age based on the Actuarial Value of the plan design you selected in 2014. This will not affect your tailored dental plan for members over the pediatric age. For detailed information on the 2015 pediatric dental benefit changes under your plan, or to select a different pediatric dental benefit plan, please contact your Sales Representative.

Our product flexibility enables us to package solutions balanced between benefits and premium to help maximize the plan's effectiveness. At your request, we can research alternatives that may better meet the needs of your company and its employees.

Thank you again for your business. I welcome the opportunity to discuss this renewal. We appreciate the opportunity to continue providing fast and accurate claims processing, exceptional administration, and excellent customer service in the years to come.

Sincerely,

Daniel Jordan

Daniel Jordan - Small Group Manager

cc: Lundstrom Insurance Agency Inc



Life and Accidental Death & Dismemberment

Village of Barrington Hills
Financial Analysis - Dearborn National Life/AD&D Renewal
Anniversary Date: January 1, 2015

2nd Year of 2 Year Rate Guarantee until 1-1-2016

DEARBORN NATIONAL

LIFE/AD&D

Monthly Benefit	Flat \$25,000
Volume	\$750,000
Est. Eligible Employees	30
Rate Per \$1,000	
Life	\$0.180
AD&D	\$0.040
Combined Life and AD&D	\$0.220
Est. Monthly Premium	\$165.00
Est. Annual Premium	\$1,980.00

Note: Volume based on Dearborn National 12-1-2014 Billing Statement.

Note: Reduction Schedule = 35% at age 65 and 50% at age 70

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October 30, 2013

VILLAGE OF BARRINGTON HILLS
ATTN:ROSEMARY RYBA
112 ALGONQUIN RD
BARRINGTON IL 600105102

Subject: Renewal Analysis
Group Policy Number: FP95679
Anniversary Date: January 1, 2014

Dear Policyholder:

Dearborn National would like to thank you for allowing us the opportunity to provide you and your employees with Group insurance products.

We have reviewed the current demographics of your group insurance programs. We are pleased to inform you that there will be no change in the existing rates for the upcoming renewal period. Rate will be guaranteed until January 1, 2016.

<u>Products</u>	<u>Current Rates</u>	<u>Renewal Rates</u>
Life	\$0.18 per \$1,000	\$0.18 per \$1,000
AD&D	\$0.04 per \$1,000	\$0.04 per \$1,000

If you have any questions pertaining to your renewal, or would like more information including the availability of other products as well as a quote for additional benefit programs, please contact your local Dearborn National sales office or insurance broker.

We value our relationship with you and look forward to providing quality service to you in the future.

Sincerely,

Underwriting Department
In Force Team

Cc LUNDSTROM INSURANCEAGENCY INC
2205 POINT BLVD STE 200
ELGIN IL 60123

701 East 22nd Street, Lombard, IL 60148 ▲ Fax: 312.540.4706

Long Term Disability

Village of Barrington Hills
Financial Analysis: Long Term Disability
Anniversary Date: January 1, 2015

2nd Year of 3 Year Rate Guarantee until 1-1-2017

Standard Insurance

LONG TERM DISABILITY

Monthly Benefit	50% to \$10,000
Elimination Period	30 Days
Est. Eligible Employees	33
Monthly Covered Payroll **	\$205,562.00
Rate per \$100	\$0.733
Est. Monthly LTD Premium	\$1,506.77
Est. Annual LTD Premium	\$18,081.23

**** Based Standard Insurance Company 12/1/2014 Billing Statement**

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October 17, 2013

VILLAGE OF BARRINGTON HILLS
Attn: Benefits Manager
112 Algonquin Rd
Barrington Hills IL 60010

Group Number 125459

Thank you for allowing Standard Insurance Company to provide quality products to support your employees' insurance needs. We are pleased to renew your policy with continued coverage and services.

We have carefully reviewed the current composition of your organization, evaluating age, occupation, gender and salary of your insured employees. Based upon this review and application of rate factors appropriate for your industry classification, we are renewing your policy at existing premium rates as indicated in the chart below. These rates are guaranteed until January 1, 2017.

Product & Services	Through 12/31/13	Effective 01/01/14
LTD	.733 Percent of Insured Earnings	.733 Percent of Insured Earnings
Employee Assistance Program	Included in Rates for LTD	Included in Rates for LTD

If you have any questions about your rates or our review process, the Chicago Employee Benefits Sales and Service Office at (800) 535-8465 is available to serve your needs. We value your business and welcome the opportunity to provide continued assistance to you.

Sincerely yours,

Jake Allbright
Implementation and Underwriting Specialists East
Employee Benefits Division
Standard Insurance Company

cc: LUNDSTROM INSURANCE AGENCY INC
Chicago Employee Benefits Sales and Service Office
Contract file
Premium file

**Village of Barrington Hills
Risk Management Summary 2015-2016**

Property - Provided by: Scottsdale Insurance		
Blanket limit for Buildings, Business Personal Property, EDP and Inland Marine coverages		\$5,978,045
		\$5,000 deductible
Business Income & Extra Expense		\$250,000

Commercial General Liability - Provided by: Scottsdale Insurance		
General Aggregate		\$2,000,000
Products/Completed Operations Aggregate Limit		\$2,000,000
Bodily Injury/Property Damage		\$1,000,000
Personal/Advertising Limit		\$1,000,000
Damages to Premises Rented to you		\$500,000
Medical Expense Limit		\$5,000
Employee Benefits Liability Coverage		\$1,000,000

Automobile - Provided by: Scottsdale Insurance		
Liability BI & PD	Any Auto	\$1,000,000 Each Accident
Medical Payments	Owned Autos - except motorcycles	\$5,000 Each Person
Uninsured Motorist	Owned Autos,hired, non-owned	\$1,000,000 Each Accident
Underinsured Motorist	Owned Autos,hired, non-owned	\$1,000,000 Each Accident
Comprehensive	Per Schedule	\$2,000 Deductible
Collision	Per Schedule	\$2,000 Deductible
Specified Causes of Loss	Motorcycles	\$2,000 Deductible

Worker's Compensation-Employers Liability - Provided by IPRF		
Bodily Injury by Accident		\$3,000,000 (each accident)
Bodily Injury by Disease		\$3,000,000 (policy limit)
Bodily Injury by Disease		\$3,000,000 (each employee)

Public Officials Liability Insurance		
Limit of Liability		\$1,000,000 \$5,000 deductible
Employment Practices Liability		
Limit of Liability		\$1,000,000 \$15,000 deductible
Option available for 3rd party liability		
Law Enforcement Liability		
Limit of Liability		\$1,000,000 \$15,000 deductible
Above coverages provided by Scottsdale Insurance		

Commercial Umbrella/Excess		
Scottsdale		\$10,000,000
TBD		\$20,000,000

Village of Barrington Hills
 December 2, 2014
 Program Comparison

	Scottsdale	Travelers
A.M. Best Rating	A+	A++
Prior Acts Coverage (EPL & Public Official)	Full Prior Acts	Retro Date TBD
EPL include 3rd party	Option Available	Option Available
Law Enforcement Liability	Occurrence	Claims Made
Inland Marine included in property blanket	Yes	No
Medical Payments Coverage	\$5,000	None
EPL included in umbrella	Yes (10,000,000)	Yes (10,000,000)
Property includes equipment breakdown	Yes	Yes
Cuba Rd. Bridge	Liability Included	Liability Excluded

Note: This term Scottsdale included equipment breakdown and increased primary umbrella (including EPL) from \$5mm to \$10mm.

Village of Barrington Hills

December 2, 2014

<u>Line</u>	<u>Expiring</u>	<u>Scottsdale</u>	<u>% Change over expiring</u>	<u>Travelers</u>	<u>% Change over expiring</u>
Property	\$4,937	\$5,118	3.7%	\$7,662	55.2%
Equip	\$4,684	\$1,561	-66.7%	Included	
GL	\$13,696	\$13,413	-2.1%	\$7,871	-42.5%
Auto	\$23,671	\$23,957	1.2%	\$8,875	-62.5%
Law Enf	\$12,767	\$14,556	14.0%	\$15,011	17.6%
Pub Official	\$2,383	\$2,812	18.0%	\$5,509	131.2%
EPL	\$4,458	\$5,084	14.0%	\$3,498	-21.5%
Total	\$66,596	\$66,501	-0.1%	\$48,426	-27.3%

5 mm Umb	\$12,836				
\$10mm Umb	n/a	\$16,227	\$16,227	\$16,034	\$16,034
Torus 10x10	\$17,987	\$14,055		\$14,055	
RSUI 10 x 20	\$13,378				
RSUI 20x10					
Total	\$44,201	\$30,282	\$16,227	\$30,089	\$16,034

	<u>Expiring</u>	<u>Renewal</u>	<u>% Change over expiring</u>
Workers Comp from IPRF	\$112,641	\$108,149	-4.0%
Treasurer Bond	\$2,500	\$2,500	

<u>Expiring</u>	<u>Scottsdale with Torus 10x10 and RSUI 10x20</u>	<u>Scottsdale with RSUI 20x10</u>	<u>Travelers with Torus 10x10 and RSUI 10x20</u>	<u>Travelers with RSUI 20x10</u>
\$225,938	\$207,432	\$193,377	\$189,164	\$175,109

Village of Barrington Hills



01/01/15 to 01/01/16

Presented by: Craig Flynn, CIC and

Mike Bennett, CPCU, AIC

Lundstrom Insurance Agency, Inc.

2205 Point Blvd, Suite 200

Elgin, IL 60123

Your Servicing Team

Lundstrom Insurance offers professional and experienced personnel, who stand ready at all times to serve your organization in any capacity related to the insurance function. We strive to attract high-level employees that have demonstrated superior academic achievement, reached a level of maturity to deal with complex problems, and have the desire to improve through advanced training. We continually seek experienced personnel who can bring us unique skills and have developed professionalism consistent with our high standards. Our team approach allows us to provide dedicated quality insurance, risk management and claims service to all our clients. You are assured to receive the utmost in personal service. We have organized the following service team approach:

Craig Flynn , CIC – Executive Vice President
847-289-7518
cflynn@lundstrominsurance.com

Craig assists the Village with risk analysis including identification of exposures, recommended appropriate transfer of risk and proper use of self-insurance and / or deductibles. We believe risk analysis is the heart of your program.

Mike Bennett – Senior Account Executive
847-289-7525
mbennett@lundstrominsurance.com

Mike is the primary contact who will handle your daily service needs promptly. These include: processing certificates of insurance, processing policy changes, reviewing audits, and issuing automobile identification cards.

Heather L Friedel, CIC – Claims Manager
847-289-7511
hfriedel@lundstrominsurance.com

Heather will assist you at the time of loss, to make sure that the claim is presented in an appropriate and complete manner so that the loss settlement is fair and satisfactory. We will provide pro-active assistance and support to you on all claims. Whenever necessary, we will intervene in any coverage or monetary dispute between you and the insurance carrier.

Other Agency Contact Information:

Office Main Number: 847-741-1000
Office Fax Number: 847-428-8857
Website: www.lundstrominsurance.com

Risk Management Services Provided

Lundstrom Insurance provides a variety of services to meet the risk management needs of our diverse client base. These services include, but are not limited to, the following:

- Risk analysis including identification of exposure, recommended appropriate transfer of risk, and proper use of self-insurance and/or deductibles.
- Work on a team approach with a backup account executive and also an agency customer service representative
- Prepare complete and accurate specifications to solicit the most comprehensive and broadest coverages and programs available, in order to provide excellent value.
- Maintenance of a proper relationship with insurance companies. The markets or carriers, which we use, are selected based on their financial integrity, market share as it relates to particular coverages, and quality of local support staff.
- Work to "sell" your account to the insurance company underwriters by presenting the best and most comprehensive picture of your account.
- Present the results of our efforts in a clear manner, and with the benefit of our experience provide recommendations.
- Review all insurance provisions of leases, contracts, or other agreements, for adequacy, compliance, and any additional cost or coverages that may be required, and recommend modifications as needed and appropriate.
- Assist in negotiating insurance problems with landlords, tenants, contractors, consultants, etc.
- The issuance of Certificates of Insurance, Automobile Identification Cards, and other insurance evidence as needed.
- Review all policies of insurance for accuracy.
- Order any policy changes and upon receipt, again review for accuracy.
- Monitor and check each audit for accurate premium charges.
- Provide a "Schedule of Insurance" for easy reference of your coverages.
- Review company safety engineering recommendations and guide you in implementing them, or, in some cases if appropriate, assist the company in having them modified or adjusted.
- At time of loss, we assist to make sure that the claim is presented in an appropriate and complete manner so that the loss settlement is fair and satisfactory.
- Be available when needed to assist in all of your insurance needs. We have specific "backup" people assigned to your account.

Commitment of the Agency

For over five decades, Lundstrom Insurance has provided personal and commercial insurance services to a diverse client base of prestigious individuals and organizations. An intense commitment to personal services is the hallmark of Lundstrom Insurance's success.

Lundstrom Insurance's client service is driven by the commitment to building and maintaining long-term relationships rather than short-term profits. Each client receives ongoing services, which enhance the function and cost-effectiveness of their insurance and risk management programs.

In a proactive vein, Lundstrom Insurance has already positioned resources to develop and market the next generation of insurance products and financial services. Lundstrom Insurance professionals are on the leading edge as changes occur in the financial services industry. Our well-trained professionals are dedicated to the highest standards of excellence. By utilizing the broad knowledge, experience, and creativity of these professionals, Lundstrom Insurance is able to provide a combination of sophisticated products and services.

The bottom line on Lundstrom Insurance's capabilities is clear: Protecting the assets and earning power of your company from loss or destruction. The measure of our success is just as straight forward: The minimization of adverse financial effects on your cash flow, Balance Sheet and Profit and Loss Statement. We look forward to continuing to demonstrate our effectiveness as your broker and risk manager partner.

Named Insured Schedule

Village of Barrington Hills

Location Schedule

Insured: Village of Barrington Hills
Insurer: Scottsdale Insurance Company
Policy Term: 01/01/15 to 01/01/16

Premises #	Building #	Address	Description
01	01	112 Algonquin Rd Barrington Hills, IL 60010-5199	Village Hall and Police Dept
01	03	112 Algonquin Rd Barrington Hills, IL 60010-5199	Barn
01	04	112 Algonquin Rd Barrington Hills, IL 60010-5199	Block house
01	05	112 Algonquin Rd Barrington Hills, IL 60010-5199	Towers
02	01	120 Algonquin Rd Barrington Hills, IL 60010-5199	Fire House
03	N/A	State Route 25	Vacant Land – 5 acres
04	N/A	Foxmoor Dr	Vacant Land – 1 acre

The following are additional locations, not owned by the Village, but used as Receiver or Transmitter sites:

Location	Description
50 Silverstone Dr, Carpentersville, IL	Carpentersville Water Tower
613 Algonquin Rd, Fox River Grove, IL	Fox River Grove Water Tower
100 Prairie Lake Rd, East Dundee, IL	East Dundee Water Tower
100 Manchester Dr, Barrington, IL	Barrington Water Tower
505 Northwest Hwy, Barrington, IL	Barrington Library
Route 59/Hough St, Barrington, IL	Standpipe – Repeater
400 N Northwest Hwy, Barrington, IL	Barrington Police/Fire Station
615 N River Rd, Algonquin, IL	St. John Nepomucene

Property Insurance

Insured: Village of Barrington Hills
Insurer: Scottsdale Insurance Company
Policy Term: 01/01/15 to 01/01/16

Cause of Loss Form Used: Special Form

Special Form: Provides coverage against direct physical loss or damage, except those perils that are specifically excluded in the policy.

Prem#	Bldg#	Subject of Insurance	Amount**	Coin%	Ded.	Valuation
All	All	Blanket Property*	\$5,978,045	N/A	\$5,000	RC / AV
All	All	Business Income & Extra Expense	\$250,000		N/A	

***Blanket Property includes: Buildings, Business Personal Property, Contractor's Equipment, Law Enforcement Equipment, Computer Hardware and Software**

****The Amount is based on the American Appraisal of 12-31-13**

Definitions:

COIN% - Coinsurance %

Valuation:

RC – Replacement Cost

AV – Agreed Value – Requires signed statement of values / business income worksheet.

Note: The additional premium to increase the BI/EE limit to \$500,000 is \$231.

Property Coverage Extensions

Coverage	Limit
Debris Removal	25% of the Loss up to policy limits*
Fire Department Service Charge	\$25,000
Pollutant Cleanup	\$10,000
Ordinance or Law	
Coverage A – Undamaged portion	Included in building limit
Coverage B – Demolition	\$250,000
Coverage C – Increased Cost of Construction	Included in Coverage B
Inventory or Appraisal Cost	\$10,000
Employee Dishonesty	\$50,000
Money and Securities	\$20,000
Newly Acquired Premises	
Buildings	\$1,000,000
Business Personal Property	\$500,000
Personal Property Off Premises	\$100,000
Outdoor Property	\$25,000
Maximum – any one tree, shrub or plant	\$1,000
Personal Effects	
Owned by Any One Person	\$25,000
At Each Premises	\$50,000
Valuable Papers and Records – Each Premises	\$100,000
Accounts Receivable – Each Premises	\$250,000
Arson Reward	\$25,000
Lock Replacement	\$15,000
Underground Water Seepage	\$10,000
Fine Arts – Each Premises	\$75,000

* If the total blanket limit has been exhausted, coverage is limited to \$25,000.

Equipment Breakdown

Insured: Village of Barrington Hills
Insurer: Scottsdale Insurance Company
Policy Term: 01/01/15 to 01/01/16

Coverage	Limit	Deductible
Property Damage	\$5,773,067	\$10,000
Business Income and Extra Expense	\$250,000	24 Hours
Expediting Expense	\$100,000	\$10,000
Hazardous Substance	\$100,000	\$10,000
Spoilage	\$100,000	\$10,000
Data Restoration	\$100,000	\$10,000
Service Interruption	Combined with Business Income	24 Hours

Commercial General Liability

Insured: Village of Barrington Hills
Insurer: Scottsdale Insurance Company
Policy Term: 01/01/15 to 01/01/16

Coverage Written On: Occurrence Form

Coverage	Limits
General Aggregate	\$2,000,000
Products and Completed Operations Aggregate Limit	\$2,000,000
Personal & Advertising Injury Limit	\$1,000,000
Each Occurrence	\$1,000,000
Damages to Premises Rented to You	\$500,000
Medical Expense Limit - Any One Person	\$5,000

Employee Benefits Liability	Limit
Each Offense	\$1,000,000
Aggregate	\$1,000,000

Coverages Included:

- Premises/Operations
- Products/Completed Operations
- Independent Contractors
- Personal/Advertising Injury
- Medical Payments
- Contractual Liability
- Damages to Premises Rented to You
- Employees as Additional Insured
- Host Liquor Liability
- Incidental Medical Malpractice Liability
- Broad Form Property Damage Liability
- Non-Owned Watercraft Liability (Under 51 Feet)
- Volunteers included as Insured
- Bodily Injury includes Mental Anguish

Quote condition: Updates on bridge inspections will be needed in 60, 90 and 120 days.

Commercial Automobile

Insured: Village of Barrington Hills
Insurer: Scottsdale Insurance Company
Policy Term: 01/01/15 to 01/01/16

Coverage	Limit	Per
Bodily Injury and Property Damage	\$1,000,000	Each Accident
Medical Payments	\$5,000	Each Person
Uninsured Motorist	\$1,000,000	Each Accident
Underinsured Motorist	\$1,000,000	Each Accident
Hired and Non-Owned	\$1,000,000	Each Accident

Coverage	Type of Coverage
Liability	Any Auto
Medical Payments	All Owned Autos
Uninsured Motorist	All Owned Autos
Underinsured Motorist	All Owned Autos
Comprehensive	Specifically Described Autos
Collision	Specifically Described Autos
Specified Causes of Loss	Specifically Described Autos

Quote Condition: What criterion is used to determine an acceptable MVR? What action is taken if a driver does not meet the MVR criteria?

Owned Autos

Owned auto coverage is only provided for autos listed on the schedule and titled to the Village of Barrington Hills.

Drive Other Car Coverage (coverage not currently provided)

Drive Other Car coverage provides nonowned automobile liability coverage for the named individual and their spouse, while a resident of the same household. Coverage does not extend to any auto owned by that individual or by any member of his/her household.

Rental Car Coverage

When renting a vehicle, Lundstrom Insurance Agency recommends that you purchase the optional physical damage coverage sometimes called a collision damage waiver. There are often fees and damages specified under the rental contract that are not and cannot be covered by your auto insurance policy.

Vehicle Schedule

Insured: Village of Barrington Hills
Insurer: Scottsdale Insurance Company
Policy Term: 01/01/15 to 01/01/16

Year	Make	Model	Comp Ded	Coll Ded	Garage Loc	Vehicle ID
2011	Ford	Explorer	\$2,000	\$2,000	Barrington Hills	1FMHK8B8XBGA47248
2008	Ford	Explorer	\$2,000	\$2,000	Barrington Hills	1FMFU73818UA62186
2011	Ford	Taurus	\$2,000	\$2,000	Barrington Hills	1FAHP2DW3BG190188
2009	Ford	Crown Vic	\$2,000	\$2,000	Barrington Hills	2FAHP71V09X138093
2010	Ford	Crown Vic	\$2,000	\$2,000	Barrington Hills	2FABP7BV0AX142184
2009	Ford	Crown Vic	\$2,000	\$2,000	Barrington Hills	2FAHP71V99X142028
2008	Ford	Expedition	\$2,000	\$2,000	Barrington Hills	1FMFU16598LA19420
2010	Ford	Expedition	\$2,000	\$2,000	Barrington Hills	1FMJU1G57AEB60456
2010	Ford	Expedition	\$2,000	\$2,000	Barrington Hills	1FMJU1G56AEB60450
2006	Polaris**	Ranger 4x4	\$2,000	\$2,000	Barrington Hills	4XAMH50A46B702469
2005	Polaris**	ATV128-12e	\$2,000	\$2,000	Barrington Hills	4XARD50A65D725501
2007	Harley***	FLHP Road King	\$2,000*	\$2,000	Barrington Hills	1HD1FHM157Y618185
2007	Harley***	FLHP Road King	\$2,000*	\$2,000	Barrington Hills	1HD1FHM1X7Y618442
2005	Triton	Trailer	\$2,000	\$2,000	Barrington Hills	4TCSU11275H801782
2006	Wells Cargo	Trailer	\$2,000	\$2,000	Barrington Hills	1W4200F1561113947
2011	Ford	Crown Vic	\$2,000	\$2,000	Barrington Hills	2FABP7BV2BX182560
2013	Ford	Explorer	\$2,000	\$2,000	Barrington Hills	1FM5K8AR7DGC40358
2013	Ford	Explorer	\$2,000	\$2,000	Barrington Hills	1FM5K8AR7DGC40359
2014	Ford	Explorer	\$2,000	\$2,000	Barrington Hills	1FM5K8ARXEGC13897
2014	Ford	Explorer	\$2,000	\$2,000	Barrington Hills	1FM5K8AR8EGC13896

*Comprehensive (Other Than Collision) Specified Causes of Loss: Fire and Theft

**Stated Amount = \$9,800 & \$8,899 respectively

***Stated Amount = \$26,539 each

Driver Schedule

Insured: Village of Barrington Hills
Insurer: Scottsdale Insurance Company
Policy Term: 01/01/15 to 01/01/16

Eric D Babcock	Sabas N Parada
Brian D Baird	Ronald W Riedel
Todd M Borck	Kim J Roel
Dominic V Caputo	Ronald L Ruffin
Joseph S Colditz	Alice A Runvik
Jason D Currie	Kathleen M Schultz
Gary A Deutsche	Richard W Semelsberger
Jo Anne R Gumprecht	Erik E Stokes
Gary A Hammelmann	Curt A Underwood
Jeremy J Hensler	William N Walsh
Tamera L Huls	Gayle L Young
Mark E Johnson	Robert Kosin
David M Kann	Wendi Frisen
Patrick J McKinney	Rosemary Ryba
Tracy L Morey	Dolores Trandel
Michael N Murphy	Anna L Paul

Employment Practices Liability

Insured: Village of Barrington Hills
Insurer: Scottsdale Insurance Company
Policy Term: 01/01/15 to 01/01/16

Coverage Written On: Claims Made Form

Coverage	Limits
Each Wrongful Act	\$1,000,000
Aggregate	\$1,000,000
Deductible	\$15,000

Covers accusations of alleged wrongful terminations, sexual harassment, discrimination to employees and potential employees.

Endorsements / Special Conditions (including but not limited to):

- Coverage included for Mental Anguish/Emotional Distress/Personal Injury
- Non-Monetary Defense – included up to policy limits
- Consent to Settle Included
- Full Prior Acts coverage included (exception: back wages prior acts date 1-1-11)

Note: The additional premium to add third party liability is \$508 for the EPL and \$141 for the umbrella.

Public Officials Liability

Insured: Village of Barrington Hills
Insurer: Scottsdale Insurance Company
Policy Term: 01/01/15 to 01/01/16

Coverage Written On: Claims Made Form

Coverage	Limit
Each Wrongful Act	\$1,000,000
Aggregate	\$1,000,000
Deductible	\$5,000

Endorsements / Special Conditions (including but not limited to):

- Consent to Settle Included
- Land Use Planning and Zoning Included
- Full Prior Acts coverage included

Law Enforcement Liability

Insured: Village of Barrington Hills
Insurer: Scottsdale Insurance Company
Policy Term: 01/01/15 to 01/01/16

Coverage Written On: Occurrence Form

Coverage	Limit
Each Wrongful Act	\$1,000,000
Each Person	\$1,000,000
Aggregate	\$1,000,000
Deductible	\$15,000

Endorsements / Special Conditions (including but not limited to):

- Consent to Settle Included

Workers Compensation

Insured: Village of Barrington Hills
Insurer: Safety National Casualty Co / IL Public Risk Fund (IPRF)
Policy Term: 01/01/15 to 01/01/16

Workers Compensation Benefits (A):

State: IL

Employers Liability (B):

Bodily Injury by Accident	\$3,000,000	Each Accident
Bodily Injury by Disease	\$3,000,000	Policy Limit
Bodily Injury by Disease	\$3,000,000	Each Employee

Workers Compensation

Insured: Village of Barrington Hills
Insurer: Safety National Casualty Co / IL Public Risk Fund (IPRF)
Policy Term: 01/01/15 to 01/01/16

State	Code	Classification	Rate	Estimated Payrolls	Premium
IL	7720	Police Officers	5.502	\$1,847,309	\$101,639
IL	8810	Clerical	0.329	\$1,021,372	\$3,360
		Administrative Fee	3%		\$3,150
Total					\$108,149

Rate Comparison

Code	Description	13-14 Rate	14-15 Rate	15-16 Rate
7720	Police Officers	5.520	5.706	5.502
8810	Clerical	0.426	0.387	0.329

Umbrella Liability

Insured: Village of Barrington Hills
Insurer: National Casualty Co. (Scottsdale)
Policy Term: 01/01/15 to 01/01/16

Coverage	Limit	Per
Limit of Liability	\$10,000,000	Each Occurrence
	\$10,000,000	Annual Aggregate
Self-Insured Retention	\$10,000	

Schedule of Underlying Coverages:

Type	Limit	
Automobile Liability	\$1,000,000	Combined Single Limit
General Liability	\$1,000,000	Each Occurrence
	\$2,000,000	General Aggregate
	\$2,000,000	Products / Completed Operations Aggregate
	\$1,000,000	Personal and Advertising Injury
Employers Liability	\$3,000,000	Disease Policy Limit
	\$3,000,000	Disease Each Employee
	\$3,000,000	Each Accident
Employee Benefits Liability	\$1,000,000	Each Employee
	\$1,000,000	Aggregate
Law Enforcement Liability	\$1,000,000	Each Wrongful Act
	\$1,000,000	Aggregate
Public Officials Liability	\$1,000,000	Each Wrongful Act
	\$1,000,000	Aggregate
Employment Practices Liability	\$1,000,000	Each Wrongful Act
	\$1,000,000	Aggregate

Excess Liability

Insured: Village of Barrington Hills
Insurer: TBD
Policy Term: 01/01/15 to 01/01/16

Coverage	Limit	Per
Limit of Liability		Each Occurrence Annual Aggregate

Schedule of Underlying Coverages:

Type	Limit	
Lead Umbrella Liability	\$10,000,000	Each Occurrence
	\$10,000,000	Aggregate

Premium Comparison *Revised 12-1-14*

Insured: Village of Barrington Hills
Policy Term: 01/01/15 to 01/01/16

Coverage	1/1/14 – 1/1/15 Expiring Term Premium	1/1/15 – 1/1/16 Scottsdale	1/1/15 – 1/1/16 Travelers	Optional Terrorism
General Liability & Property	\$18,633	\$18,531	\$15,533	\$348
Equipment Breakdown	\$4,684	\$1,561	Included	N/A
Business Auto	\$23,671	\$23,957	\$8,875	N/A
Management Liability*	\$19,608	\$22,452	\$24,018	N/A
Workers Compensation	\$112,641	\$108,149	\$108,149	N/A
\$10 million Lead Umbrella	\$12,836 (\$5mm)	\$16,227	\$16,034	\$811
Total before \$20mm Excess	\$192,073	\$190,877	\$172,609	\$1,159
\$20 million Excess Liability	\$31,365 (\$25mm)	TBD	TBD	TBD
Total	\$223,438	\$	\$	\$

Final premium may vary due to revisions and is subject to policy issuance.

Annual Treasurer Bond premium is \$2,500.

***Management Liability includes Public Officials Liability, Law Enforcement Liability and Employment Practices Liability**

Disclaimer: The abbreviated outlines of coverages used throughout this proposal are not intended to express any legal opinion as to the nature of coverage. They are only visuals to a basic understanding of coverages. Please read your policy for specific details of coverages.



Some Areas of Little or No Coverage

- **Fiduciary Liability** – protects the Police Pension Fund Board as they act in a fiduciary capacity for the PERS. We have received confirmation that the policy purchased by the Police Pension Board is still active.
- **Ordinance or Law** – coverage is provided up to \$250,000 for demolition and increased cost of construction. Higher limits are available at an additional cost.
- **Debris Removal** – coverage is provided at 25% of the loss, up to the policy property limits. Higher limits are available at an additional cost.
- **Crime/Employee Dishonesty** – coverage for employee theft, or damage to, Village Business Personal Property, money and securities. The Scottsdale policy excludes coverage resulting from a dishonest or criminal act committed by any elected or appointed official, treasurer, officer or director. A separate Crime policy is recommended, as it would extend coverage to those excluded above.
- **Internet & Cyber Liability and Paper & Electronic Data Breach** – if there is a breach of private or confidential information through your computer system or paper or electronic files, coverage would be provided to notify all parties, as legally required, even those that may not have been affected by the breach.
- **Asbestos** – this is a standard exclusion on most liability policies.
- **Pollution** – this is a standard exclusion on most policies. Coverage can be obtained for pollution incidents arising from a covered loss to the above-ground gas tank.
- **Fungi or Bacteria** – this is a standard exclusion on most liability policies.
- **Earthquake and Flood** – coverage is specifically excluded, but can be purchased.
- **Hired Physical Damage** – if coverage is requested, physical damage would extend to vehicles “hired” (rented or short-term lease) by the Village. Coverage is not currently included in the Village’s Business Auto policy but can be added for an additional cost.
- **Drive Other Car Coverage** – coverage can be purchased to extend the Business Auto policy to key employees who only drive a Village-owned vehicle and do not carry a Personal Auto Policy in their household.
- **Rental Reimbursement** – reimbursement, up to a selected limit, for a vehicle rented due to a loss to a covered vehicle.
- **Equipment Leased or Loaned to Others** – coverage is not included in your standard policy. It is recommended that a policy be established that no Village-owned property or equipment is to be leased or loaned out. This includes a Village employee taking equipment home for personal use.
- **Sexual Misconduct / Molestation** – limited coverage is provided for defense only under the Law Enforcement Liability coverage.
- **Water Backup from Sewers, Drains or Sumps** – coverage not currently provided but can be added at an additional cost.

Policyholder Notice Terrorism Insurance Coverage

Your policy (or the policy proposed to you) contains coverage for certain losses caused by terrorism.

Premium:

We are required to notify you of the portion of the premium, if any, attributable to the coverage for terrorist acts certified under the Terrorism Risk Insurance Act of 2002 and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2007.

The portion of your premium that is attributable to coverage for terrorist acts certified under the Act is \$TBD

Federal Participation:

The Act also requires us to provide disclosure of federal participation in payment of terrorism losses.

Effective November 26, 2002, under your policy (or the policy proposed to you), any losses caused by certified acts of terrorism would be partially reimbursed by the United States Government, Department of Treasury, under a formula established by federal law. Under this formula, the Federal Government's share of compensation for Insured Losses in each year up to and including calendar year 2014 is 85% of the amount of Insured Losses in excess of each Insurer's statutorily established deductible. The insurer's deductible is an amount equal to 20% of their direct earned premiums over the calendar year immediately preceding the applicable program year.

Act of Terrorism:

As defined in Section 102(1) of the Act, the term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

Lowering Your Workers Compensation Cost

What you can do to lower your Workers Compensation costs:

While you may have little control over the rising costs of health care, as an employer you have the tools to lower your Workers' Compensation costs by reducing on-the-job injuries and returning injured employees to work. The following information will help you put an effective loss control plan into motion.

Accident Prevention

You and your managers must first be committed to safety and set the example for your employees to follow.

Management Commitment

To test your commitment to providing a safe workplace, ask yourself the following questions:

- Do you require use of personal safety equipment?
- Does your company have a safety program?
- Are your managers held accountable for safety in the workplace?
- Are safety rules enforced by your managers?

Controlling Workplace Hazards

Inefficient machinery, tools, and work methods can lead not only to injury and higher Workers' Compensation costs, but also to lower production. Look at the ways jobs are performed by people and their equipment; make sure they work together safely. When you discover safety and health hazards, make corrections immediately.

- Are safety inspections conducted on a regular basis?
- Does your business have a method to review all accident and near-miss incidents?
- Do you have an accident emergency plan in place?
- When you find workers exposed to hazards in the workplace do you take action to eliminate those hazards?
- Do you perform regular maintenance on your equipment?

Safety Training

A large percentage of the more serious on-the-job injuries reviewed by our company involve people who are employed for less than a year. Lack of safety training and inadequate supervision of new employees can often be at the root of the loss problem. Safety training begins the day a new employee starts work and must continue to be an important part of every worker's job.

- Do all of your employees receive a safety and health orientation?
- Are employees involved in solving safety and health problems?
- Do your workers know about the hazards in their jobs and do they know how to identify and report hazards?
- Do employees know how to use and take care of the personal protective equipment?
- Does your organization provide ongoing communications between managers and workers stressing the importance of safety?

Lowering Your Workers Compensation Cost - Continued

Claims Handling

Returning your injured workers to work is one of the most effective ways to cut your Workers' Compensation costs. When a worker is disabled by a job-related injury you have the obvious medical costs as well as many hidden costs - lost time by fellow workers, loss of efficiency, lost time by supervision, training costs, and possible damage to tools and equipment.

Your employees need to know that you will do everything possible to get them back to work if they are hurt on the job. Are your workers told exactly what to do if injured? How an injury is handled when it first occurs can have a major impact on the length of the disability.

Here are several steps you can take that will help reduce costs:

- Make and enforce a company policy that all injuries, no matter how small, must be reported immediately. This helps a company know what is going on in its plant, office, or job site and assists the company's safety program.
- A thorough investigation should be conducted on every reported injury. Make this a matter of routine rather than a subject for concern. Determining accurately what happened is an important step in managing your Workers' Compensation claims.
- Stay in touch with the injured employee. Letting your worker know you care eases their anxieties and becomes an essential ingredient in a successful return to work. Injured workers are more likely to involve an attorney (driving up costs) when they feel ignored or forgotten.
- Identify or design light duty jobs that can be performed as the injured worker recovers. Even in part-time work is all that is available; the claim cost will be reduced because disability payments charged will be offset by the employee's wages.

Your Worker's Compensation insurance is based upon the types of jobs at your company, the size of your payroll, and your claims record. It is not likely you will cut staff or change the types of jobs employees perform in order to reduce insurance costs. However, you can lower your costs through good safety, hiring, and return-to-work programs.

Client Services Offered

Employee Benefits

- Health Insurance, Self-Funded, Stop-Loss, ASO, PPO, HMO, and Wellness Programs
- Retirement Savings Plans – 401k, 403b, and SEP/IRA
- Cafeteria Plans, Flexible Spending Accounts, and COBRA Administration
- Life, Dental, Disability, Long-Term Care, Vision, EAP, and Voluntary Products
- Consumer Directed Health Plans – HSA, HRA, and High Deductible Health Plans

Business Insurance / Risk Management Services

- General Liability, Umbrella or Excess Liability, Workers Compensation, and Vehicle Fleet
- Property, Business Interruption, and Boiler
- Directors & Officers Liability, Crime, Employment Practices Liability, and Fiduciary Liability
- Performance, Welfare, License & Permit, and Public Official Bonds
- Carrier Assisted Loss Control Services and In-House Claims Management

Personal Life Services

- Estate Planning
- Life, Disability, Health, Medicare Supplement, and Long-Term Care Insurance
- Business Continuation and Key Person Life Insurance
- Deferred Compensation Programs
- 401k/IRA Rollovers and Annuities

Personal Property & Liability

- Automobile, Homeowners, Condos, Renters, and Investment Properties
- Personal Umbrella Insurance
- Watercraft
- Recreational Vehicles, Motorcycles, Motorhomes, Snowmobiles, and ATV's
- Flood Insurance

Claim Reporting Procedures

1. Report the incident to us as soon as possible, even if you do not have all the information. Workers Compensation claims are to be reported within three (3) days of injury.
2. Complete the appropriate claim reporting form with as much information as available. Missing information could slow down the process. Include the following:
 - Witness information, if applicable
 - Picture(s), if available
 - If you are reporting for information purposes only, please place **FYI** at the top of the claim form
3. Forward any supporting documents, i.e. police report, medical claim forms, doctor's reports, etc., along with the initial claim form, and/or as received.
4. Fax or email all information to Heather Friedel at Lundstrom Insurance. Fax: (847) 428-8857 Email: hfriedel@lundstrominsurance.com
5. Please contact Heather at (847) 289-7511 with any questions on a potential claim or open claim. In addition, if at any time you have concerns about the way a claim is being handled or responded to by the company, do not hesitate to involve our agency. We are here to be an advocate for you.



Robert Kosin <rkosin@barringtonhills-il.gov>

Fwd: attorney list/release

Rosemary Ryba <treasurer@barringtonhills-il.gov>
To: Robert Kosin <rkosin@barringtonhills-il.gov>

Thu, Nov 20, 2014 at 2:45 PM

Should this be brought to the BOT or wait for the Insurance Committee Meeting of 12.2.14?

----- Forwarded message -----

From: **M Bennett** <mbennett@lundstrominsurance.com>
Date: Thu, Nov 20, 2014 at 2:18 PM
Subject: RE: attorney list/release
To: Rosemary Ryba <treasurer@barringtonhills-il.gov>
Cc: C Flynn <cflynn@lundstrominsurance.com>

Rosemary,

Scottsdale would choose the defense attorney to defend any claims against the village. The consent to settle condition is built into the Employment Practices Liability policy and is added by endorsement to the Law Enforcement and Public Officials Liability policies. In short, Scottsdale will not settle a claim under one of these policies without your agreement. However, if a claim can be settled and the village refuses to settle and it later costs more to settle it (or jury award), Scottsdale will only pay 70% of the additional settlement and defense costs.

For example, through negotiation it is determined that a claim could be settled for \$100,000. Scottsdale asks permission to settle at that amount and the village refuses. The claim later settles for (or is tried to a verdict of) \$200,000. Scottsdale will pay \$100,000 + \$70,000 (70% of the additional \$100,000) and they will pay 70% of the additional loss adjustment (legal) expenses incurred after the date of refusal of settlement. The village would be responsible for \$30,000 plus 30% of the additional expenses. Without this endorsement the decision to settle is Scottsdale's alone. I have attached a copy of the endorsement for your reference.

If after reviewing this you have any questions please let me know.

Mike Bennett, CPCU, AIC

Lundstrom Insurance Agency

Email: mbennett@lundstrominsurance.com

Direct Line: 847-289-7525

Fax: 847-428-8857

Confidentiality Notice: The information contained in this email, including any attachments, is for the sole use of the intended recipient and may contain information that is confidential and protected. Any unauthorized review, use, disclosure, distribution or similar action is prohibited. If you are not the intended recipient, please contact the sender and delete all copies of the original message immediately.

Please be advised that insurance coverage cannot be added, deleted or otherwise changed until it is confirmed in writing by Lundstrom Insurance or your insurance carrier.

From: Rosemary Ryba [mailto:treasurer@barringtonhills-il.gov]
Sent: Thursday, November 20, 2014 12:50 PM
To: C Flynn
Cc: M Bennett
Subject: Re: attorney list/release

Any information on clarification from the attorney question? We have a BOT Meeting tonight and questions may arise...

Rosemary N. Ryba, CIMT

Treasurer

Village of Barrington Hills

112 Algonquin Road

Barrington Hills, IL 60010

847.551.3002 direct

www.barringtonhills-il.gov

[Quoted text hidden]

[Quoted text hidden]

[Quoted text hidden]



Consent to settle.pdf

44K

ATTACHED TO AND FORMING A PART OF POLICY NUMBER	ENDORSEMENT EFFECTIVE DATE (12:01 A.M. STANDARD TIME)	NAMED INSURED	AGENT NO.
PEI0006211	01/01/2014	VILLAGE OF BARRINGTON HILLS	12701

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONSENT TO SETTLE

This endorsement modifies insurance provided under the following:

**EMERGENCY DISPATCHERS LIABILITY COVERAGE FORM
LAW ENFORCEMENT LIABILITY COVERAGE
PUBLIC OFFICIALS LIABILITY COVERAGE FORM**

Paragraph 2. Settlement of **SECTION V - CONDITIONS** is replaced by:

2. Settlement

We have the right to investigate any "claim" or "suit," but we will not settle or compromise a "claim" or "suit" without your written consent. If consent is refused and you elect to contest the "claim" or "suit" or continue legal proceedings, then our liability for the "claim" or "suit" will not exceed the amount for which the "claim" or "suit" could have been settled, plus "loss adjustment expense" incurred up to the date of your refusal, plus seventy percent (70%) of all "loss" in excess of the amount of the settlement offer acceptable to us and the claimant and seventy percent (70%) of all "loss adjustment expense" incurred after the date

of your refusal to consent to a settlement offer acceptable to us and the claimant.

In no event shall our liability under this policy for "loss" exceed the applicable limits of our liability of the remaining portion of the Annual Aggregate Limit of Liability. You shall be solely responsible for thirty percent (30%) of all "loss" in excess of the amount of the settlement offer acceptable to us and the claimant, and thirty percent (30%) of all "loss adjustment expense" incurred after the date of your refusal.

We will not be obligated to pay any "claim" or judgment or to defend any "suit" after the applicable limit of our liability have been exhausted by payment of judgments or settlements.

/

AUTHORIZED REPRESENTATIVE

DATE