

OPERATIONS & ADMINISTRATIVE COMMITTEE AGENDA

Called by: Keith McDonald, Chairman
Members: John Butitta, Jean Crosby,
Paul Arena, Joe Hoffman, Dorothy
Redd, Jaime Salgado

DATE: THURSDAY, NOVEMBER 18, 2021
TIME: 5:30 PM
LOCATION: ROOM 510
COUNTY ADMINISTRATION BLDG
404 ELM STREET
ROCKFORD, IL 61101

AGENDA:

- A. Call to Order
- B. Roll Call
- C. Approval of Minutes – None
- D. Public Comment – This is the time we invite the public to address the Operations and Administrative Committee with issues and concerns. We ask you to limit your comments to three minutes. Personal attacks or inappropriate language of any sort will not be tolerated. We will allow a maximum of five speakers on a first come basis with sign up at the meeting. Speakers may not address zoning matters which are pending before the ZBA, the Zoning Committee or the County Board. Personnel matters or pending or threatened litigation may not be addressed in open session. An individual may speak a maximum of three times per calendar year on the same topic. This prohibition shall include the repetition of the same topic in a statement on what is purported to be a different topic. After acknowledgement by the chair, please stand and state your name. Thank you.
- E. Resolution Authorizing the Execution of a Renewal Agreement with Arthur J. Gallagher for the Property and Casualty Coverage
- F. Other Matters
- G. Adjournment



Resolution Executive Summary

Prepared By: Debbie Crozier
Committee: Operations and Administration
Committee Date: November 18, 2021
Resolution Title: RESOLUTION AUTHORIZING THE EXECUTION OF A RENEWAL AGREEMENT WITH ARTHUR J. GALLAGHER FOR THE PROPERTY AND CASUALTY COVERAGE
Board Meeting Date: November 23, 2021

Budget Information:

Was item budgeted? No	Appropriation Amount: \$1,462,170 Annual Total
If not, explain funding source:	
ORG/OBJ/Project Code: 49400 43510	Budget Impact: \$345,009 Increase

Background Information: Winnebago County purchases insurance coverage to limit the County's risk on the liability/casualty and property assets. Due to the cost increase on the current program and the lack of viable alternatives in the marketplace, the decision has been made to join the Counties of Illinois Risk Management Agency (CIRMA,) a pool of 22 other counties in Illinois. This will result in an annual increase for 2022 of \$345,009.

Recommendation: County Administrator, Patrick Thompson, Chief Financial Officer, David Rickert and Human Resources Director, Debbie Crozier, have reviewed the Property and Casualty Renewal Offer (Resolution Exhibit A) and recommend approval.

Contract/Agreement: This is a 3-year agreement with CIRMA.

Legal Review: Done.

Follow-Up: N/A

RESOLUTION
of the
COUNTY BOARD OF THE COUNTY OF WINNEBAGO, ILLINOIS

Sponsored by: Keith McDonald
Submitted by: Operations and Administrative Committee

2021 CR

**RESOLUTION AUTHORIZING THE EXECUTION OF A RENEWAL AGREEMENT WITH ARTHUR J.
GALLAGHER FOR THE PROPERTY AND CASUALTY COVERAGE**

WHEREAS, the County of Winnebago, Illinois, each year adopts a Resolution which authorizes acceptance of the property and casualty insurance coverage; the County's Insurance Broker, has extensively reviewed the County's options for this coverage; and,

WHEREAS, Arthur J. Gallagher & Co. has proposed the attached rates to Winnebago County for the property and casualty insurance coverage from December 1, 2021 thru November 30, 2022:

See attachment A – Premium Summary Recap for Details.

WHEREAS, the Operations and Administrative Committee of the County Board for the County of Winnebago, Illinois has reviewed agreement and recommends that the County Board authorize execution of an agreement with Arthur J Gallagher & Co. for the property and casualty insurance coverage for December 1, 2021 through November 30, 2022.

NOW, THEREFORE BE IT RESOLVED, by the County Board of the County of Winnebago, Illinois that the Winnebago County Board Chairman is hereby authorized to execute an agreement attached hereto as Resolution Exhibit A with ARTHUR J. GALLAGHER & CO., 555 SOUTH PERRYVILLE ROAD, ROCKFORD, IL 61108 for the property and casualty insurance coverage.

BE IT FURTHER RESOLVED that this Resolution shall be in full force and effective immediately upon its adoption and the Clerk of the County Board is hereby authorized to prepare and deliver certified copies of this Resolution to the Director of Purchasing, Director of Human Resources, County Auditor and the County Board Office.

Respectfully Submitted,
OPERATIONS AND ADMINISTRATIVE COMMITTEE

AGREE

DISAGREE

KEITH McDONALD, CHAIRMAN

KEITH McDONALD, CHAIRMAN

JOHN BUTITTA, VICE CHAIRPERSON

JOHN BUTITTA, VICE CHAIRMAN

PAUL ARENA

PAUL ARENA

JEAN CROSBY

JEAN CROSBY

JOE HOFFMAN

JOE HOFFMAN

DOROTHY REDD

DOROTHY REDD

JAIME SALGADO

JAIMIE SALGADO

The above and foregoing Resolution was adopted by the County Board of the County of Winnebago, Illinois this ____ day of _____ 2021.

ATTESTED BY:

JOSEPH CHIARELLI
CHAIRMAN OF THE COUNTY BOARD
OF THE COUNTY OF WINNEBAGO, ILLINOIS

LORI GUMMOW

CLERK OF THE COUNTY BOARD
OF THE COUNTY OF WINNEBAGO, ILLINOIS

PREMIUM SUMMARY

LINE OF COVERAGE		EXPIRING PROGRAM ESTIMATED COST		RENEWAL PROGRAM (Travelers)		PROGRAM 2 (CIRMA)	
Property	Premium	Travelers Indemnity Company	\$231,229.00	Travelers Indemnity Company	\$238,729.00	Primary: Lloyd's of London	\$411,000.00
Excess Property	Premium		N/A		N/A	Travelers Indemnity Co	\$130,463.00
Boiler & Machinery	Premium		Included		Included	Hartford Steam Boiler	\$42,093.00
Liability Package	Premium	Travelers Indemnity Company	\$340,266.00	Travelers Indemnity Company	\$364,383.00	Lloyd's of London	Included in above
Automobile	Premium	Travelers Indemnity Company	\$116,309.00	Travelers Indemnity Company	\$126,452.00	Lloyd's of London	Included in above
Umbrella/Excess (1st)	Premium	Travelers Indemnity Company (The Travelers Companies, Inc.) Limit \$19MM xs \$1MM	\$190,843.00	Berkley INDICATION Limit \$4MM xs \$1MM	\$825,000.00	Old Republic Union Ins. Limit \$8MM xs \$2MM	\$323,000.00
Administration Costs						CIRMA	\$90,899.00
Loss Fund						CIRMA	\$150,000.00
Surplus Lines Tax							\$34,579.00
Umbrella/Excess (2nd)	Premium			Unknown	Unknown	Allied World National Assurance Company Limit \$10MM xs \$10MM	\$135,264.00
	Taxes						\$5,411.00
Crime	Premium	Hanover Insurance Co.	\$6,933.00	Hanover Insurance Co.	\$6,933.00	Primary: Lloyd's of London Excess: Travelers Casualty & Surety Co.	Included in above \$2,555.00
Professional Liability (Health Department Only)	Premium	Columbia Casualty Company (CNA Insurance Companies)	\$16,625.00	Columbia Casualty Company (CNA Insurance Companies)	\$27,665.00	Columbia Casualty Company (CNA Insurance Companies)	\$27,665.00
	Taxes		\$594.00		\$989.00		\$989.00
Excess Workers' Compensation	Premium	Safety National Casualty Corporation (Tokio Marine Holdings, Inc.) Retention \$750K Police Retention \$650K Others	\$116,781.00	Safety National Casualty Corporation (Tokio Marine Holdings, Inc.) Retention \$750K Police Retention \$650K Others	\$150,221.00	Illinois Public Risk Fund Deductible \$400K per claim	\$147,510.00
Administration Fee							\$4,425.00
Estimate TPA Saving (Gallagher Bassett)							
Package Fee							(\$80,746.00)
Workers' Compensation Fee							(\$44,263.00)
Package Run Off (per year)							\$9,835.00
WC Run Off (per year)							\$3,839.00
Broker Fee - AJG			\$66,325.00		\$67,652.00		\$67,652.00
Total Estimated Program Cost			\$1,085,905.00		\$1,808,024.00		\$1,462,170.00