

Village of Washburn

Mayor
David Humphrey

November 19th, 2012
Special Meeting Minutes

Board of Trustees

Edward Grebner
Randy Ragains
Larry Roop
Robert Stanfield
Nate Swanson

Village Clerk
Becky Ulrich

Village Treasurer
Cheri Delap

Water/Sewer/Street Department
Mark Frerichs

Chief of Police
Jeff Moline

Roll call was taken. Ed, Randy and Nate were present. The pledge was recited.

This meeting is being held to discuss insurance quotes from several companies and make a decision as to which company to go with for the upcoming year.

Mike Attison of the Illinois Municipal League was there. He mentioned he was talking with mayor earlier and mentioned we had already received a bill for the upcoming year. Mike provided a handout/new invoice with a total that is substantially lower than the initial bill/quote. He noted we've held our insurance with them for several years. He also mentioned that Randy spent about two hours on the phone with an executive to convince them (IML) they were charging us too much.

He said their insurance is a one-stop shop. We will always deal with just their company, not multiple companies, as you would with some other insurance companies.

He mentioned there's talk they are in financial trouble, but gave some statistics to reassure us they are not in trouble.

Mike also mentioned they only provide insurance to Illinois Cities and Villages, nothing else.

There was a short explanation of the coverage, deductibles, etc.

Next Mike Storms provided some information to the board. He mentioned he has been in the insurance business since March 1, 1989. He is an independent agent so he's not stuck with one company. He sent our information to multiple places to get the best rates/coverage as possible. He said in writing our quote it was his goal to keep all the premiums similar to what we currently have. His quote came in at \$40,939.

Mike brought in Eddie Wood to speak on behalf of Bernaman & Flower. Eddie gave us some information regarding coverage, deductibles, claims, etc.

Eddie wanted to provide four tips/objectives to keep in mind when making our decision:

1. Maintain coverage levels
2. Reduce price or confirm paying price is competitive
3. Confirm provide is financially stable
4. Where if possible maintain local representation

Eddie also wanted to point out that when looking to see if someone is financially stable you can't look at just how much money one has in the bank, but how much surplus money they have.

Finally Denise Jacobus with Kuhl & Company from Morton spoke. She is also an independent agent. She, like Mike, shopped multiple companies but chose ICRMT (Illinois Counties Risk Management Trust) for us. They provided a premium quote of \$41,727. A few points she mentioned are that they do have a high deductible on general liability. For the upcoming year it would be \$25,000 because of last year's police issues. She said that the deductible would be taken off after the first year if there were no additional claims during the first year.

She also mentioned they offer a very proactive approach. They really like to come in and work with the police and the employees to make sure things are running smoothly, etc.

Mayor then asked all the insurance reps to leave.

There was some discussion. It was mentioned a \$25,000 deductible is a bit scary. All three quotes are very similar.

Randy would recommend staying with IML.

Nate said he's like to stay local, if possible. The premiums are very similar. He also thinks it would be an asset to be able to walk into Mike's office, just down the street to chat, instead of having to call and talk to someone over the phone always.

Nate made a motion to accept Mike Storm's quote of \$40,939, Ed seconded it. 2 ayes, 1 nay, motion passed.

Mayor asked if the audience had any input. Cheri said from her point of view it would be great if we could pay in one installment rather than multiple ones.

Larry Tomlinson asked what the facts were that IML didn't know (which is why apparently they were able to lower our quote after discussion upon receiving our actual bill). Randy said it was them not knowing the results of the "reserves" we had on us with the Meinder's case, the Warnkes incident, etc.

There was a bit of further discussion regarding the topic.

Dave then mentioned our upcoming caucus. The state is now telling us we have to hold our caucus on Monday, December 3rd. We now have to have our ballot names to the county before Christmas. The caucus will now be held on Monday, December 3rd at 7:00 p.m. Same locations. Tammy will publish in the Whisper tomorrow. Dave will get signs/notifications up tomorrow stating when/where the caucus will be held. The buildings will open a little after 6:00 p.m.

Ed made a motion to adjourn at 7:48 p.m., Nate seconded it. All ayes, motion carried.

Washburn Village Clerk

Date