

OPERATIONS & PERSONNEL COMMITTEE MEETING
November 21, 2016
5:30 P.M.

MEMBERS PRESENT

Linda Little, Chair
Dave Drobisch
John Jackson
Jerry Potts
Kevin Meachum
Verzell Taylor

COUNTY PERSONNEL PRESENT

Mary Eaton, Recorder
Carol Reed, Auditor
Lisa Wallace, Auditor's Office
Robyn McCoy, Workforce Solutions

Jeannie Durham, County Board Office

MEMBERS ABSENT

Bryan Smith

The meeting was called to order by Chair Little at the Macon County Office Building.

MINUTES

Motion to approve minutes of prior meeting, October 17, 2016 made by Mr. Potts, seconded by Mr. Jackson and motion carried 6-0.

APPROVAL OF PAYROLL AND CLAIMS

Motion to approve payroll as presented made by Mr. Drobisch, seconded by Mr. Meachum and the motion carried 6-0.

Motion to approve the claims report as presented was made by Mr. Potts, seconded by Mr. Jackson and motion carried 6-0.

REPORTS

Auditor's Office –

Macon County Board Resolution Approving Increase in Appropriations in the FY16 Insurance Fund and Self-Insurance Fund Budgets

Ms. Reed explained that in September or October she had come and asked for \$60,000 to \$70,000 more, but since then, another person has gone on total, temporary disability that we are paying the claims for. That makes 2 people. There is also a \$51,000 deductible from Travelers for 2 auto accidents. These are all coming out of the self-insurance fund plus there are a lot of workers comp bills on these people that are on temporary disability. She said she is coming again tonight asking for \$168,000 to finish off the year. Part of it is in the total, temporary disability and part is contingent for claim loss which is the deductibles that we have to pay. The workers comp fund is

paying the workers comp bills which we are also self-insured for up to a certain point. This should get us through the year. Unfortunately, it is causing the insurance fund balance to go down so we are going to have to be pretty vigilant next year and try to minimize our accidents.

Mr. Jackson asked about the accidents. Ms. Reed said the two auto accidents involved the Sheriff's deputies. Mr. Meachum asked about the amounts. Chair Little commented that this just gets us through the next 10 days. Ms. Reed confirmed. Mr. Meachum asked how this would affect next year's budget. Ms. Reed said next year's budget was based on fairly to higher than average figures. We know it is going to be higher than average coming into it, but we are hoping things will calm down a little bit. It has not been a good year.

Motion to approve forwarding to Finance Committee with recommendation to approve made by Ms. Little, seconded by Mr. Jackson, and the motion carried 6-0.

Macon County Board Resolution Accepting a One Year General Liability Insurance Proposal through Arthur J Gallagher

Ms. Reed explained that after Travelers had dropped us for the Law Enforcement part, Ted Miller at A.J. Gallagher took it out to secure some quotes. Mr. Meachum asked why we had gotten dropped. Ms. Reed said they didn't like our law enforcement liability claims. Mr. Meachum asked if there was surge over there for some unknown reason. Ms. Reed said somewhat. We thought we were doing everything they asked because they would come down and a risk manager would go over things with us, but it just came down to their thinking that we are too high risk.

Mr. Miller explained that in regards to the claims, since December 1, 2010 through September 22, 2016, the county has recorded \$10,476,833 in claims with Travelers. There were 77 total claims in that time period. There was one large claim of about \$6 million, but there is another \$4.4 in addition to that claim. It is a pretty severe set of circumstances that we are dealing with. So, Travelers cancelled us. Since September, we've gone to everybody under the sun who will write a municipal county in the state of Illinois and we have come back with a program that is called an All Lines Aggregate Program. There are some differences. The first difference is that it uses what is called a self-insured retention and not a deductible. It works about the same way, but the insured, Macon County, pays first as opposed to paying afterwards with a deductible. You take on a little more risk. The risk is going from \$25,000 per claim to \$100,000 per claim. The premium is going up 9%, but we went from being cancelled to being 9% in under 90 days. We scoured the market place. There were 20 different carriers, half of whom declined. One carrier for the Law Enforcement or the Sheriff's operations including patrol & jail and everything wanted \$500,000 just for that piece of it. Mr. Meachum said he wondered if we don't need to, as a County Board, chat with the Sheriff's Office and say, hey, you've got a lot of claims and a lot of accidents and you need to take a proactive approach to this and give defensive driving classes to everybody. Some of these training classes can get these claims down by taking a proactive approach. Mr. Miller agreed saying that there will not be a whole lot of alternatives in the future that will keep the price anywhere near where it is today. Mr. Meachum said we've already got ourselves painted

into a corner. Mr. Miller said the bigger problem is that you've got a fairly small universe of people who will write this. It needs to get under control. He said he wondered about expensing some of the costs back to the department that causes the claims. Chair Little said it all comes out of the general fund and it all comes out of your property taxes. There is no benefit to that. Mr. Jackson said it would highlight your opportunity. Mr. Meachum said he saw the negative approach to it, but at the same time can see the positive approach to it because we can say we can't afford this and you need to take some additional steps. Chair Little said she would agree if she thought the Sheriff's department was being slack or lax. It is the nature of the beast and it all comes out of the general fund. Mr. Meachum said he works on the streets too and he knows they have to keep their wits about them because there are too many distractions on the road these days. He said he would still like to take a proactive approach and chat with the Sheriff and his staff. Mr. Miller said that he feels that the Sheriff's department has done a lot of those things to date, but like any other business, there is turnover within the department and perhaps the new people need to be retrained. Some of it is just the inherent business of the police force and jail management. It is not an easy environment. There is no question about that. The result is that we are here today talking about a 9% increase and a four-fold increase in the deductible.

Motion to approve forwarding to Finance Committee with recommendation to approve made by Mr. Meachum, seconded by Mr. Jackson, and the motion carried 6-0.

Macon County Board Resolution Approving a One Year Agreement with IPMG Claims Management Services, LLC for General Liability Third Party Administration Services

Ms. Reed explained that because of the new self-insured retention piece where we pay the first \$100,000, commonly we have a third party that administers that. IPMG are also the people that do our workers comp where we are also self-insured. We will pay an annual deposit of \$1,200 and then a per claim fee. The schedule is attached to the resolution. We have no idea how much this will cost, but Ms. Reed said she felt there is enough in the budget to accurately cover it. If there were 20 claims at \$500, that would be \$10,000 so we feel it is doable.

Motion to approve forwarding to Finance Committee with recommendation to approve made by Mr. Potts, seconded by Mr. Jackson, and the motion carried 6-0.

County Board –

Macon County Board Resolution Approving Lease Agreement with Senator Andy Manar

Chair Little explained that this is the same as it has been for the last several years except the dates have been changed.

Motion to approve forwarding to Finance Committee with recommendation to approve made by Mr. Meachum, seconded by Mr. Potts, and the motion carried 6-0.

County Clerk – no report

Recorder –

Ms. Eaton distributed her monthly report and offered to answer questions. There were no questions.

Workforce Investments –

Macon County Board Resolution Approving a Budget Amendment for Workforce Investment Solutions FY17 Budget – Trade Case Management Grant

Ms. McCoy explained the increase is \$8,528. The grant is received from the State of Illinois for the staff who are working with customers who are trade eligible. There is one event with Mitsubishi where there are 23 people enrolled. Some are working and some are going to school. They review the number of customers enrolled every quarter and determine the amount needed for the case management.

Motion to approve forwarding to Finance Committee with recommendation to approve made by Mr. Jackson, seconded by Mr. Drobisch and the motion carried 6-0.

Ms. McCoy reported that they have gone through an interview process for her position and there were 3 Workforce Board members that interviewed along with Chairman Greenfield who made the decision to hire Rocki Wilkerson who ran the Adult Ed Program. She will be starting in January.

Citizens' Remarks - none

Old Business - none

New Business – none

CLOSED SESSION None needed

NEXT MEETING Monday, December 19, 2016

ADJOURNMENT

Chair Little adjourned the meeting at 5:49 p.m.

Minutes submitted by Jeannie Durham, County Board Office