

**AGENDA
FINANCE COMMITTEE
Village of Hoffman Estates
December 13, 2021**

Immediately following Public Works & Utilities

Members: Gary Pilafas, Chairperson
Anna Newell, Vice Chairperson
Michael Gaeta, Trustee
Karen Mills, Trustee
Gary Stanton, Trustee
Karen Arnet, Trustee
William McLeod, Mayor

I. Roll Call

**II. Approval of Minutes – November 22, 2021
November 23, 2021 (Special)**

NEW BUSINESS

1. Request approval of:
A: the 2022 Renewal of the Property and Casualty Insurance Program through the Suburban Liability Insurance Pool (SLIP); and
B: the 2022 Renewal of the Village's worker's compensation, underground storage tank and liquor liability coverages through Alliant/Mesirow Insurance Services.
2. Request approval of an extension to the temporary increase to the pay rates in the Agreement between Andy Frain Services, Inc. and the Village of Hoffman Estates.
3. Request authorization of an Employee Leasing Agreement with GovTempsUSA, LLC, for Civil Engineer staff services at a rate of \$77 per hour.

REPORTS (INFORMATION ONLY)

1. Finance Department Monthly Report. (request for deferral)
2. Information Technology Department Monthly Report.
3. NOW Arena Monthly Report. (request for deferral)

III. President's Report

IV. Other

V. Items in Review

VI. Adjournment

Further details and information can be found in the agenda packet attached hereto and incorporated herein and can also be viewed online at www.hoffmanestates.org and/or in person in the Village Clerk's office.

The Village of Hoffman Estates complies with the Americans with Disabilities Act (ADA). For accessibility assistance, call the ADA Coordinator at 847/882-9100.

FINANCE COMMITTEE MEETING MINUTES

November 22, 2021

I. Roll call

Members in Attendance:

**Gary Pilafas, Chair
Anna Newell, Vice Chairperson
Michael Gaeta, Trustee
Karen Arnet, Trustee
Gary Stanton, Trustee
Karen Mills, Trustee
William McLeod, Mayor**

Management Team

Members in Attendance

**Eric Palm, Village Manager
Dan O'Malley, Deputy Village Manager
Rachel Musiala, Finance Director
Art Janura, Corporation Counsel
Kathryn Cawley, Police Chief
Greg Poulos, Assistant Police Chief
Alan Wax, Fire Chief
Patrick Seger, Director HRM
Suzanne Ostrovsky, Asst. to Village Mgr.
Peter Gugliotta, Director of Dev. Services
Audra Marks, Assistant Director HHS
Joe Nebel, Director of Public Works
Ric Signorella, Cable TV Coordinator
Bev Romanoff, Village Clerk**

Telephonic Attendance:

**Ben Gibbs, NOW Arena
Sarah Marcucci**

The Finance Committee meeting was called to order at 7:00 p.m.

**I. Approval of Minutes – October 25, 2021
November 8, 2021 (Special)**

Motion by Trustee Gaeta, seconded by Trustee Arnet, to approve the Finance Meeting minutes from October 25, 2021. Voice vote taken. All ayes. Motion carried.

Motion by Trustee Gaeta, seconded by Trustee Arnet, to approve the Special Finance Meeting minutes from November 8, 2021. Voice vote taken. All ayes. Motion carried.

NEW BUSINESS

1. **Request authorization to award a contract for the purchase of 20 Aruba™ switches with corresponding cabling, power, accessories, and installation services to Agilant Solutions, Inc., Lisle, IL (low bid) in an amount not to exceed \$93,168.**

An item summary sheet from Mark Koplín, Ben Gibbs, and Dan O'Malley was presented to Committee.

Motion by Trustee Gaeta, seconded by Trustee Mills, to award a contract for the purchase of 20 Aruba™ switches with corresponding cabling, power, accessories, and installation services to Agilant Solutions, Inc., Lisle, IL (low bid) in an amount not to exceed \$93,168. Voice vote taken. All ayes. Motion carried.

2. **Request authorization to award a contract to Oak Brook Mechanical Services, Inc. of Elmhurst, IL (low bid) to replace 12HVAC Roof Top Units (RTUs), 1 Make-up Air Unit (MAU), and 2 Split System AC Units at the NOW Arena in an amount not to exceed \$1,819,000.**

An item summary sheet from Mark Koplín, Ben Gibbs, and Paul Petrenko was presented to Committee.

Motion by Trustee Gaeta, seconded by Trustee Stanton, to award contract to Oak Brook Mechanical Services, Inc. of Elmhurst, IL (low bid) to replace 12HVAC Roof Top Units (RTUs), 1 Make-up Air Unit (MAU), and 2 Split System AC Units at the NOW Arena in an amount not to exceed \$1,819,000. Voice vote taken. All ayes. Motion carried.

3. **Request authorization to waive bidding and award a contract for the purchase, installation, and programming of 15 new amplifiers for the NOW Arena public address system to Visua, Neenah, Wisconsin, in the amount not to exceed \$52,676.74.**

An item summary sheet from Mark Koplín, Ben Gibbs, and Dan O'Malley was presented to Committee.

Trustees inquired about the sound issue. Mr. Gibbs and Mr. Koplín are looking into it.

Motion by Trustee Gaeta, seconded by Trustee Arnet, to award a contract for the purchase, installation, and programming of 15 new amplifiers for the NOW Arena public address system to Visua, Neenah, Wisconsin, in the amount not to exceed \$52,676.74. Voice vote taken. All ayes. Motion carried.

REPORTS ONLY

1. Finance Department Monthly Report

The Finance Department Monthly Report was received and filed.

2. Information System Department Monthly Report

The Information System Department Monthly Report was received and filed.

3. NOW Arena Monthly Report

Mr. Gibbs provided an update on the Arena events.

The NOW Arena Monthly Report was received and filed.

II. President’s Report – Mayor McLeod wished everyone a happy Thanksgiving, condolences on the death of Sharon Zittler (Dick Zittler’s wife), update on activities November 15 – 22.

III. Other – Trustee Pilafas wished Mayor a Happy Birthday.

IV. Items in Review

V. Adjournment

Motion by Trustee Gaeta, seconded by Trustee Arnet, to adjourn the meeting at 7:13 p.m. Voice vote taken. All ayes. Motion carried.

Minutes submitted by:

Jennifer Djordjevic/ Director of Operations
And Outreach / Office of the Mayor & Board

Date

I. Roll call

Members in Attendance: Gary Pilafas, Chair
Anna Newell, Vice Chairperson
Gary Stanton, Trustee
Karen Mills, Trustee (arrived at 6:10 pm)
William McLeod, Mayor

Members Absent: Michael Gaeta, Trustee
Karen Arnet, Trustee

Management Team Members in Attendance: Eric Palm, Village Manager
Dan O'Malley, Deputy Village Manager
Patti Cross, Asst. Corporation Counsel
Rachel Musiala, Director of Finance
Anthony Fashoda, Asst. Director of Finance
Bev Romanoff, Village Clerk
Peter Gugliotta, Director of Dev. Services
Fred Besenhoffer, Director of IT
Patrick Seger, Director of HRM
Suzanne Ostrovsky, Asst. Village Mgr.
Monica Saavedra, Director of HHS
Kasia Cawley, Police Chief
Alan Wax, Fire Chief
Patrick Clarke, Deputy Fire Chief
David Ganziano, Deputy Fire Chief
Joe Nehel, Director of Public Works
Kelly Kerr, Asst. Director of Public Works
Aaron Howe, Mgmt. Analyst
Ben Gibbs, NOW Arena

The Special Finance Committee meeting was called to order at 6:00 p.m.

NEW BUSINESS

1. Review and discussion of the Proposed FY 2022 Operating & Capital Budget.

Village Manager Eric Palm provided an overview of the property FY 2022 budget and also provided a FY 2021 financial overview. Mr. Palm reported that the Village originally planned to use \$2.3 million of fund reserves to balance the budget. NO General Fund monies were used to fund FY 2021 capital projects. The Village received the first of two allocations of ARPA funding in the amount of \$2,817,160 and the Village was awarded \$7,253,571 from the SBA for the Shuttered Venue Operators Grant. The Village experienced better than anticipated revenues and lower than budgeted expenses. The Village will transfer \$5 million to capital projects fund for future years use and we are projected to end FY 2021 with a healthy surplus and not needing to use the initial \$2.3 million in reserves. Mr. Palm stated that sales taxes are up by 40% and building permits are very high.

The FY 2022 budgeted General Fund reserves represents 32% of the FY 2022 General Fund budget as compared to the FY 2021 budget General Fund reserves represented 36% of the FY 2021 GF budget.

The total GF budget for FY 2022 is \$65,688,860 compared to \$66,132,180 for FY 2021, a 5.7% increase.

Mr. Palm reviewed the EAV for 2021 and also discussed the Sears EDA.

Personnel changes for FY 2022 were reviewed and reinstatements from the FY 2021 COVID freeze include a part-time Intern and seasonal intern in General Government, a CSO in Police, Maintenance I in Public Works, seasonal Code Enforcement inspector and an IT specialist. New for 2022 will be a temporary freeze of two vacant police positions and the addition of two CSOs; the addition of one social worker in the Police/HHS department and the addition of one permit technician in Development Services/Finance.

Garbage rates for 2022 were discussed and it is proposed to increase non-senior rates by \$1 for 2022 and 2023, beginning May 1, 2022. There has been no increase in rates since 2004.

Mr. Palm discussed Village Board goals and long-term goals become “strategic planning priorities” with an emphasis on communication. Capital and infrastructure goals for 2022 include \$6.6 million street program including 25 resurfacing and 9 reconstruction proposed in 2022, \$4.1 million in water & sewer projects, Arizona Boulevard stormwater project in the amount of \$780,000, 22 purchased and financed vehicles totaling \$617,650 and equipment and technology totaling \$2,235,810.

General Government - Suzanne Ostrovsky gave an overview for the General Government Department. The General Government Administration Division was reorganized in 2021 and includes the addition of a full-time communications professional to manage the Village’s communication and marketing efforts, promotion of the Assistant to the Village Manager to Assistant Village Manager, and transition of owner’s representative duties for the NOW Arena from Development Services to the Deputy Village Manager.

For 2022, General Government will coordinate studies for the Village IT systems along with other departments, oversee the Village’s continued response to the COVID-19 pandemic, work with Development Services to attract new businesses, continue financial savings through responsible debt management and collection efforts, and successfully negotiate successor collective bargaining agreements with MAP 96 and MAP 97. The *Citizen* Newsletter will be reduced from 12 editions to 6 editions for 2022.

Police Department - Police Chief Cawley provided an overview for the Police Department and reviewed 2021 accomplishments including hiring 9 new probationary police officers and promoted 3 sergeants, 1 lieutenant, 1 Assistant Chief and 1 Chief to replace retired officers. The Department continued to make training a priority and all sworn officers participated in a 3-day live training exercise in conjunction with the Fire Department and Emergency Management on Active Shooter Response and Rescue Task Force Training. In this training, body worn cameras from different vendors were evaluated.

For 2022, the Police Department plans to purchase and implement the use of body worn cameras with are required by January 1, 2024, hire a full time social worker to be utilized by both the police department and HHS, implement the new community response officer program, research and apply for grant opportunities and continue to make recruitment and hiring of new probationary officers a priority.

Motion by Mayor McLeod, seconded by Trustee Stanton, to take a 10-minute break. Voice vote taken. All Ayes. Motion carried.

The Special Finance Committee meeting was called back to order at 7:05 pm.

Fire Department – Fire Chief Alan Wax reviewed 2021 accomplishments. The department responded to 6,250 calls for service, a 14% increase over 2020. There were 4,830 paramedic calls which was an increase of 4.7% over 2020. The Department hired 5 replacement firefighter/paramedics due to retirements, promoted five Captains, five Lieutenants, two Battalion Chiefs, two Deputy Chiefs, and hired a Fire Chief. Training was completed for fire apparatus engineer continuing education, active threat training, and live fire training.

For 2022, the Fire Department will conduct promotional testing, new hire testing and increase response aid agreements with neighboring fire departments. A fire station needs analysis study will be completed as well as completing the purchase of a new fire engine and staff car.

Mayor McLeod and Trustee Pilafas inquired about mutual aid agreement with East Dundee and Bartlett.

Public Works – Joe Nebel reviewed 2021 accomplishments, including receiving and resolving over 2,100 customer service requests. 28 streets under the sign reposting program were completed, 220,000 lineal feet of contractor pavement striping and 16,000 lineal feet of in-house striping completed, responded to 33" of snow and ice between January and April, planted 275 new or replacement trees, received Tree City USA recognition for the 30th consecutive year and completed improvements to the Village salt dome. Mr. Nebel reviewed the Water & Sewer Fund accomplishments which include the rehabilitation/replacement of the Chippendale Lift Station and beginning construction of the Golf Road lift station as well as many other projects.

For 2022, the Public Works Department will complete building improvement projects to Village facilities, expand the sidewalk replacement program, replace necessary vehicles and equipment, and install a heavy-duty crane in the Fleet Maintenance garage area. Also, the Department will conduct engineering studies to prepare for the installation of additional water and sewer crossings under the I-90 tollway, upgrades at Abbey Wood Pumping Station, water tower T-5 painting and rehab, complete construction of the new Golf Lift Station and replace necessary vehicles.

Development Services – Peter Gugliotta reviewed 2021 construction activity – 3,700 building permits were issued and generated \$3.1 million in permit revenue. Mr. Gugliotta highlighted the activity at Bell Works and the Microsoft Data Center. He reviewed infrastructure projects as well as the Barrington Road/I-90 sub-area plan. The Village Green and CDBG highlights were discussed.

For 2022, highlights and priorities include electronic review, permitting, inspection and software; Economic Development Strategic Plan, Microsoft Data Center inspections; recruitment of open positions; update to 2021 ICC and other building codes; comprehensive Zoning Code update; traffic impact fee program; bicycle/pedestrian plan update; Roselle Road TIF Storm Sewer project; Barrington Road/ I-90 Plan implementation projects; and CDBG Covid-19 programs.

Health & Human Services – Monica Saavedra reviewed 2021 accomplishments including the Covid-19 vaccine clinics for the community and Village employees – 2,657 vaccines were provided. Clinical psychology staff provided 3,300 hours of therapy services and completed the process for credentialing on insurance panels for mental health starting in 2022. Nursing staff administered 4,100 vaccines for youth and adults, 410 preventive health screenings and 1,500 preschool vision and hearing screenings.

For 2022, the Department will develop new physical and mental health outreach initiatives to reach community members in need, develop new partnerships, develop emergency planning for housing and resource distribution, enhance the Employee Wellness Program and implement marketing to the community and begin accepting insurance for mental health service.

Information Technology – Fred Besenhoffer provided 2021 accomplishments which include cyber security initiatives and network infrastructure. The Department created electronic check vouchers to simplify the payroll process, replaced servers, desktop and public safety computers, 2 million email messages were received of which 781,000 were designated as spam and filtered out of the system.

For 2022, priorities include completing the wireless access points upgrade, elimination of analog telephone lines still in use, migrating existing Exchange environment to the Government cloud; Office 365 Cloud implementation, body cameras, financial and HR system version analysis, and installation of security cameras in HHS.

NOW Arena – Ben Gibbs reviewed 2021 accomplishments. They include the NOW Foods re-brand on all naming rights assets, secured \$7.2 million in SVOG Grant Funding, hosted a record number of graduation ceremonies generating nearly \$190,000 in event income, generated over \$350,000 in event income from outdoor events, generated a record \$500,000 event income from three AEW pro wrestling events during Labor Day weekend.

For 2022, priorities include the Windy City Bulls fifth season, replace lapsed suite holders and advertising clients, incentivize return of annual circus and IRCA state cheer event, continue capital improvements and revisit 2020 promoter incentive packages.

Boards & Commissions – Mr. Palm reported that there is a 3% increase in total Boards and Commissions budget.

Mr. Palm reported on 2022 budget changes which include increases to Arena revenues and expenses. Also, the salt expense in Public Works will be decreased by \$110,000 due to price per ton less than anticipated and then the savings from the salt will fund additional expenses of stormwater drainage improvements in the amount of \$50,000 and \$50,000 for sidewalk/curb replacement projects.

2. Request approval of an ordinance amending Section 7-9-1-G (Rates for Residential Refuse Collection) of the Hoffman Estates Municipal Code.

Motion by Mayor McLeod, seconded by Trustee Stanton, to approve an ordinance amending Section 7-9-1-G (Rates for Residential Refuse Collection) of the Hoffman Estates Municipal Code. Voice vote taken. All ayes. Motion carried.

3. Request approval of the FY2022-2029 Capital Improvements Program.

Motion by Trustee Mills, seconded by Mayor McLeod, to approve the FY2022-2029 Capital Improvements Program. Voice vote taken. All ayes. Motion carried.

4. Direct staff to publish the Notice of Availability of Budget and Public Hearing on the FY2022 Proposed Budget.

Motion by Trustee Mills, seconded by Trustee Stanton, to direct staff to publish the Notice of Availability of Budget and Public Hearing on the FY 2022 Proposed budget on Monday, December 13, 2021 at 6:55 p.m. in the Council Chambers prior to the Village Board meeting. Voice vote taken. All ayes. Motion carried.

5. Direct staff to publish the Notice of Proposed Property Tax Levy.

Motion by Trustee Mills, seconded by Mayor McLeod, to direct staff to publish the Proposed Property Tax Levy on Monday, December 13, 2021 at 6:50 p.m. in the Council Chambers prior to the Village Board meeting. Voice vote taken. All ayes. Motion carried.

6. Direct staff to draft the Tax Levy and Tax Abatement Ordinances, which will appear on the December 13, 2021 Village Board Agenda.

Motion by Trustee Stanton, seconded by Trustee Mills, to direct staff to draft the Tax Levy and Tax Abatement Ordinances, which will appear on the December 13, 2021 Village Board agenda. Voice vote taken. All ayes. Motion carried.

II. Adjournment

Motion by Mayor McLeod, seconded by Trustee Stanton, to adjourn the meeting at 9:04 p.m. Voice vote taken. All ayes. Motion carried.

Minutes submitted by:

Debbie Schoop, Executive Assistant

Date

**COMMITTEE AGENDA ITEM
VILLAGE OF HOFFMAN ESTATES**

NB1

SUBJECT: REQUEST APPROVAL OF:

A: THE 2022 RENEWAL OF THE PROPERTY AND CASUALTY INSURANCE PROGRAM THROUGH THE SUBURBAN LIABILITY INSURANCE POOL (SLIP); AND

B: THE 2022 RENEWAL OF THE VILLAGE'S WORKER'S COMPENSATION, UNDERGROUND STORAGE TANK AND LIQUOR LIABILITY COVERAGES THROUGH ALLIANT/MESIROW INSURANCE SERVICES.

DATE: DECEMBER 13, 2021

COMMITTEE: FINANCE COMMITTEE

FROM: KEN KOOP, RISK MANAGER
DAN O'MALLEY, DEPUTY VILLAGE MANAGER
PATRICK SEGER, DIRECTOR OF HRM

PURPOSE: To request approval to renew the Village's existing property and casualty insurance program through the Suburban Liability Insurance Pool (SLIP) expiring January 1, 2022. In addition, request approval to renew the Village's worker's compensation, underground storage tank and liquor liability coverages through Alliant/Mesirow Insurance Services.

BACKGROUND: In 2018, the Village Board approved an intergovernmental pooling agreement with the Suburban Liability Insurance Pool (SLIP) to insure all insurance coverages except worker's compensation, underground storage tank and liquor liability. Arthur J. Gallagher Risk Management Services Inc. (AJG) is the administrator of the insurance pool.

For the coverages not included in the pool, the Village has utilized Alliant/Mesirow Insurance Services to market and provide quotes for worker's compensation, underground storage tank, and liquor liability excess insurance coverages.

DISCUSSION: **SLIP POOL:**
The Village of Buffalo Grove, City of Highland Park, Village of Elk Grove, and the Village of Hoffman Estates are the founding members

of SLIP. The pool was created to accommodate each member's individual insurance needs, while providing lower overall fixed costs and premiums.

COVERAGE STRUCTURE: The Village's non-worker's compensation coverages will remain similar to the current program.

The pool provides the first layer of coverage which is a protected self-insured loss fund that attaches above each individual member's self-insured retention. Each member annually contributes to the loss fund to cover losses within that layer of coverage. There is also a one million dollar stop loss insurance policy that would pay losses if the loss fund is depleted. This layer of coverage protects each member from losses in excess of the current loss fund. To the member's benefit, if the loss fund is not depleted in a given year, the member retains these unused funds. This is the case currently with the 2019, 2020 and 2021 claims experience. To date, the Village's \$324,496 contribution to the 2019, 2020 and 2021 SLIP loss funds has not been depleted due to losses.

The actuaries have determined that the pool's loss fund will require increased funding for 2022. If the pool were to realize losses in excess of the amount funded, the membership would be required to fund the remainder of the unfunded loss fund above the \$1,000,000 stop loss coverage. This is a minimal risk that could potentially be funded by rolling over a portion of the mature loss funds from prior years, or by using the insurance fund reserves.

In addition, there are excess commercial insurance layers of coverage for losses that are in excess of the pool's retention layer. The final layers of coverage are two commercial excess insurance policies that are in place for losses above the self-insured retention.

Please see the attached exhibit for a visual description of the pool structure for the various layers of coverage and corresponding limits.

2022 Renewal: Premium and Limit Considerations

Not including cyber coverage, the Village will realize a 10.8% or \$64,000 increase in insurance costs for the 2022 SLIP renewal. This is mainly due to three factors. First, upon actuarial review of the pool's matured loss experience, the excess carrier has required that the loss fund contribution be increased \$13,495 from the previous year's level. Again, although the Village has increased its loss fund contribution, if the pool's losses do not reach that layer of coverage (loss fund), the Village will be able to retain all or part of the contribution once all 2022 losses are closed out.

Secondly, the increase in premium is due, in part, to an increase in the Village's property values. There is a \$8,980 increase in premium due to the increase in property values. SLIP conducts formal appraisals of all insured properties every 5 years. There will be a market increase to the

Village's property values annually to prevent large increases in property values as a result of the next appraisal.

Lastly, there was an increase in overall premiums due to the continued and dramatic hardening of the insurance market in 2021. It should be noted that the national and global excess liability markets have hardened substantially over the past several months, and continue to do so. The main reasons for these insurance market conditions are due to COVID-19's impact, recent civil unrest, increase in police liability claims and economic conditions that have significantly impacted the insurance industry. The majority of the pool's premium increase is due to the excess general liability market. The pool realized an increase of 38% for this line of coverage, which reflected in an increase in the Village's 2022 premium of \$57,438 for this line of coverage alone.

Cyber Liability Coverage

The cyber liability insurance market has substantially and dramatically hardened in the past 9 months. In fact, the pool's cyber carrier in 2021 has declined to insure cyber liability risks in 2022. As a result, the pool has moved carriers to Obsidian Specialty Insurance Company. All carrier's in the market space are now requiring considerable loss control requirements in order to be afforded coverage. The Village has endeavored to comply with these requirements prior to the end of 2021. One of the most significant requirements was to implement multi factor authentication (MFA). The Village has implemented this requirement in 2021 in order to qualify for cyber liability insurance coverage. Other cyber loss control measures are being implemented as well. Unfortunately, due to the hardening market, premiums for this line of coverage have increased extensively. The Village's 2022 premium for cyber coverage has increased \$59,036 or 308%. The total premium for cyber coverage for 2022 is \$78,184.

The total premium cost to the Village for the renewal of the Villages SLIP program is \$748,989, an increase of 27.5% from the prior year.

Please see the attached exhibits for a visual description of the specific renewal costs by coverage for the pool.

NON-SLIP COVERAGES: There are three insurance coverages that are not included in the SLIP program. Liquor liability, Underground Storage Tank, and Worker's Compensation coverages are proposed to be placed with Alliant/Mesirow Insurance Services.

The market has been tested by the broker and as a result, there is a flat renewal (little to no premium increase) for the liquor liability coverage, and underground storage tank coverage premiums. However, the Village's incumbent worker's compensation carrier, Safety National, has increased their premium \$57,310 or 49.7%.

As a result of the substantial increase in premium of the incumbent carrier, the Village has closely reviewed the submissions from three other worker's compensation carriers/pool; Illinois Public Risk Fund (IPRF), Arch Insurance and Midwest Employer's Insurance. Both Arch Insurance and Midwest Employer's Insurance were not competitive when compared to the submission from IPRF. The IPRF quote provided the most competitive premium at \$124,237. However, IPRF can also reduce the Village's worker's compensation exposure dramatically by offering a deductible of \$500,000. This is \$150,000 less than the current self-insured retention (SIR) for general employees and \$250,000 less than the current SIR for presumptive claims involving both police and fire personnel. IPRF has also increased the Employer's Liability limit from \$2,000,000 to \$3,000,000; reducing the Village's employer's liability exposure by \$1,000,000.

Illinois Public Risk Fund

The Illinois Public Risk Fund was established in 1985 due to the hard market conditions at the time. It is a municipal risk pool that provides worker's compensation coverage exclusively, to its 600+ members. It is rated AAA by Demotech who rates insurance pools. This is the highest rating available. Interestingly enough, the pool is reinsured by Safety National.

IPRF provides a litany of loss control and safety related training materials and services that are included in the premium. In addition, third party claims administration (TPA) services are included in the premium as well. This would require the Village to discontinue utilizing the current TPA, Employer's Claim Service (ECS) for all new claims. However, ECS would continue to administer the claims they currently handle at no additional cost.

A review of the pools' bylaws reveals that if a member decides to leave the pool, only a 90 day notice of separation is required. This would allow the Village to easily market this line of coverage and if as a result, the Village decides not to withdraw from the pool, IPRF would simply require the Village to rescind the notice of separation to continue in the pool. This provides the Village a great deal of flexibility with marketing this line of coverage. The Village is essentially not locked into the pool for any duration past the policy period. Unlike most municipal risk pools.

Although the Village's TPA will change, the Village's defense counsel will not. The Village's current defense firm, Rusin and Maciorowski, have been previously approved as defense counsel for the pool. This will enable the Village to continue utilizing the current defense counsel.

Several credible references were contacted to discuss their experiences with the pool. All references came back very positive related to the pool's operations and management.

The total premium cost for worker's compensation coverage for 2022 is 124,237, a 7.8% increase from the prior year. However, when considering that the TPA fees are included in the IPRF quote, the Village will actually realize a 17.3% decrease in overall worker's compensation fixed costs.

As a result of Staff's comprehensive evaluation of all the worker's compensation coverage submittals, staff recommends moving coverage to IPRF effective 12/31/21.

Please see the attached exhibits for the actual renewal costs for each coverage.

FINANCIAL IMPACT: The SLIP renewal recommendation presented below represents a 27.5% increase or \$161,758 in the overall cost as compared to the Village's expiring program. This is mainly due to the increase in the cyber insurance premium.

There is also a 7.9% increase in premium or \$9,450 for the purchase of the three lines of coverage outside the pool through Alliant/Mesirow Insurance Services

The recommendations herein for these expenses will be funded by the approved FY22 budget along with Insurance Fund reserves.

RECOMMENDATIONS:

A: SLIP Renewal

Approval of the renewal of the SLIP coverage package for a total fixed cost of \$748,989 for the policy year of 1/1/22 through 1/1/23.

B: Alliant/Mesirow Insurance Services Renewal

Approval of the renewal of the Liquor liability, Underground Storage Tank, and Worker's Compensation coverages for a total fixed cost of \$128,675 for the policy term of 1/1/22 through 1/1/23 for Liquor liability and Underground Storage Tank coverages and policy term 12/31/21 through 12/31/22 for the worker's compensation coverage.

COMMITTEE AGENDA ITEM

VILLAGE OF HOFFMAN ESTATES

SUBJECT: Request approval to extend the temporary increase to the pay rates in the Agreement between Andy Frain Services, Inc. and the Village of Hoffman Estates

MEETING DATE: December 13, 2021

COMMITTEE: Finance Committee

FROM: Mark Koplin, Owner's Representative-NOW Arena
Ben Gibbs, NOW Arena General Manager
Daniel P. O'Malley, Deputy Village Manager

PURPOSE: Request approval to extend the temporary increase to the pay rates in the Andy Frain Agreement.

BACKGROUND: The Village Board approved the most recent Andy Frain contract in January 2019. This agreement provides contractual services for guest services, security, parking, and supervisors for all such services for the NOW Arena. This agreement runs through August 31, 2023 and includes billing rates for various positions handling the above-mentioned responsibilities. The rate schedule factored in a 2% annual increase. Rates for Windy City Bulls games are at slightly reduced rates.

DISCUSSION: In July, 2021, the Board approved a temporary increase to the pay rates within this contract from September 1 through December 31, 2021 due to the workforce issues facing most employers in the hospitality and live event industry. These issues were detailed in the July 19, 2021 Finance Committee agenda item which is attached for your review. The Board action taken in July has considerably helped the arena's ability to hire the necessary workers to staff events since its reopening.

Since the current workforce environment has not improved from July, staff is requesting to extend the temporary increased pay rates through August 31, 2022 to coincide with the new contract year. The labor market will be assessed as we progress through the 2022 season to determine if it is necessary to maintain the temporary pay rates.

FINANCIAL IMPACT: The increase in rates will result in higher expenses to events at the arena. However, higher rental fees, higher parking rates and ticket fees have been implemented to offset this increase. Arena staff will continue to monitor this and implement when practical.

RECOMMENDATION: Request approval to extend the temporary increase to the pay rates in the Andy Frain Services, Inc. Agreement through August 31, 2022.

Attachments



TO: Andy Frain Services, INC.
FROM: Ben Gibbs, General Manager
Mark Koplin, Owner's Representative
DATE: December 13, 2021
RE: Amendment regarding Pay Rates for New and Existing Employees
between January 1, 2022 – August 31, 2022

This amendment ("Amendment") is made by and between Village of Hoffman Estates as the Owner of the NOW Arena ("the Village") and Andy Frain Services, INC. ("Contractor"), collectively ("the Parties"):

WHEREAS, the Parties have entered into that certain Memorandum of Agreement - Village of Hoffman Estates dated January 3, 2019 (the "Existing Agreement"), in respect of an agreement to provide security and parking services; and

WHEREAS, the Parties desire to modify the terms relating to the pay wages for new and existing employees working events between January 1, 2022 and August 31, 2022.

NOW THEREFORE, the Parties agree as follows:

1. Capitalized terms used and not defined in this Amendment have the respective meanings assigned to them in the Existing Agreement. All references in the Existing Agreement or any other document to "the Agreement" or otherwise to the Existing Agreement shall mean the Existing Agreement as amended hereby.
2. Appendix B of the Existing Agreement shall have an additional staffing rate for any new staff hired and existing staff employed during the period between January 1, 2022 and August 31, 2022. Village and Contractor will mutually agree to Bill Rates 2023 no later than thirty (30) days prior to end of Amendment Term. Any employees hired after August 31, 2022, will be paid in accordance with the Existing Agreement pay rates, unless mutually agreed by future amendment:

NOW Arena Staffing Rates Hired between 1/1/2022 and 8/31/22			
Position	Pay Rates (1/1/2022 - 8/31/22)	Bill Rates 2022 1/1/22 - 8/31/22	Bill Rates 2023 9/1/22 - 8/30/23
Event Contract Manager	Salary	\$35.00	Village and Contractor will mutually agree to Bill Rates 2023 no later than thirty (30) days prior to end of Amendment Term.
Event Parking Manager	\$17.00	\$34.00	
Guest Services Supervisor	\$15.00	\$22.05	
Security Supervisors	\$16.00	\$23.52	
Parking Supervisors	\$16.00	\$23.52	
Security Officers	\$15.00	\$22.05	
Guest Services / Event Staff	\$14.00	\$20.58	
Parking Cashiers	\$14.50	\$21.32	
Parking Auditors	\$16.00	\$23.52	
Parking Directors	\$14.00	\$20.58	
Basketball Only			
Position	Pay Rates (7/1/2021)	Bill Rates 2022 1/1/22 - 8/30/22	Bill Rates 2023 9/1/22 - 8/30/23
NO CHANGE TO RATES			

Contractor:
Andy Frain Services, INC.

Licenser:
Village of Hoffman Estates
By its agent Global Spectrum

By:	By:
Name:	Name:
Title:	Title: Village President
Date:	Date:

**COMMITTEE AGENDA ITEM
VILLAGE OF HOFFMAN ESTATES**

SUBJECT: Request approval of a temporary increase to the pay rates in the Andy Frain Agreement

MEETING DATE: July 19, 2021

COMMITTEE: Finance Committee

FROM: Mark Koplin, Owner's Representative-NOW Arena
Ben Gibbs, NOW Arena General Manager

REQUEST: Request approval of a temporary increase to the pay rates in the Andy Frain Agreement.

BACKGROUND: The Village Board approved the most recent Andy Frain contract in January 2019, to handle responsibilities for guest services, security, parking, and supervisors for all such services. This was the third agreement since the Village issued an RFP for security/guest services, and approved an initial agreement with Andy Frain with a two year term in 2011. The latest agreement runs through August 30, 2023. The agreement includes billing rates for various positions handling the above-mentioned responsibilities. The rate schedule factored in a 2% annual increase. Rates for Windy City Bulls games are at slightly reduced rates.

DISCUSSION: As the country comes out of the pandemic, many companies are desperately seeking employees to fill vacant positions. This is especially true in the hospitality and live events industry, which saw a substantial decline in business for over a year, and now is attempting to increase its labor force as business returns. Many workers are not returning to their hospitality jobs, which has created a labor shortage. The reasons behind the shortages are complex, and it is currently unclear if this issue will be persistent or only a short term problem related to unemployment benefits, availability of childcare, and COVID-related health concerns. Locally, the hourly workforce has been paid above the national minimum wage for several years. The minimum wage in Chicago is \$15.00 per hour and \$13.00 per hour in Cook County

This issue has been covered extensively in the news. Attached are two informative articles.

DISCUSSION: (Cont'd)

The first ticketed event at the NOW Arena since the pandemic will be the AEW wrestling pay-per-view on September 5, 2021, that is already sold out. During the same week, the Arena will host two televised AEW events on September 1 and 5, 2021. This will be the busiest week at the Arena since the last AEW pay-per-view, which was nearly two years ago. Andy Frain will need to fill about 120 positions for the pay-per-view alone, and another 60-80 positions for the other events. As the COVID restrictions closed the Arena starting in March 2020, the Andy Frain roster of employees working at the NOW Arena has dwindled considerably, and over 100 employees will need to be recruited, interviewed, and eventually hired to ensure a fully staffed event by September 1, 2021.

With the reality of a difficult hiring environment, Mr. Gibbs approached Andy Frain to get its insight into the labor market and devise a strategy to begin recruiting qualified candidates to meet the event needs starting in September. As Andy Frain provides similar security services at Wintrust Arena, Soldier Field, Wrigley Field, and Lollapalooza, they have first-hand knowledge of the challenging labor market. Andy Frain agreed that recruitment would be extremely difficult, and the pay rates agreed and implemented during the 2019 contract would not be sufficient to recruit competent staff. Using the minimum wage in Chicago and Cook County, along with hourly wages paid by surrounding businesses, Andy Frain suggested pay rate increases that range from 13% to 30% for the various positions.

As the labor shortage and the contributing factors are unprecedented, it is impossible to predict if the higher pay wages are the new normal or just temporary as the supply of workers will increase as the economy gradually returns to normal post-COVID. As such, we are suggesting the Andy Frain contracted billable wages increase from September 1, 2021 to December 31, 2021 only, and return to the originally contracted wages, per the 2019 contract, starting on January 1, 2022.

During this time, the Arena and Andy Frain will have more time to assess the labor market and determine if a long term wage increase is necessary for 2022 and beyond. While the increase in wages will be implemented for any new staff hired from September 1, 2021 to December 31, 2021, and applied to existing Andy Frain staff, these employees will maintain the increased wage for the duration of their work at NOW Arena, but new staff hired after January 1, 2022, will be hired at the lower original contracted rate (assuming a lower pay wage is deemed effective in the future). For this reason, there will be a permanent effect on a portion of the Andy Frain staff for the duration of the contract (through August 30, 2023).

There is no guarantee that the increased pay rates will be enough to attract hourly employees, but it is important to offer competitive rates to give the Arena a fair chance at finding good people.

FINANCIAL IMPACT:

The increase in rates will result in higher expenses and detract from the bottom line. In the long run, promoters can be charged a higher rental fee or customers could incur a higher parking or ticket fees to offset the increase. However, in the short run, we do not think it is appropriate to increase fees upon reopening after the pandemic as this could hurt our ability to bring promoters and customers back to the venue. We would like to wait a few months and assess which fees are most appropriate based on how the industry is recovering from the shutdown.

FINANCIAL IMPACT: (Cont'd)

It is difficult to determine the actual financial impact as we do not know for sure what events the NOW Arena will host in the next 7-8 months and how many staff will be needed for each event. We project that the increased rates will increase the costs for a small event by \$1,000, a medium event by \$2,500, and a large event by \$5,000.

RECOMMENDATION:

Request approval of a temporary increase to the pay rates in the Andy Frain Agreement.

Attachments



TO: Andy Frain Services, INC.
FROM: Ben Gibbs, General Manager
Mark Koplin, Owner's Representative
DATE: July 19, 2021
RE: Amendment regarding Pay Rates for New and Existing Employees
between September 1, 2021 - December 31, 2021

This amendment ("Amendment") is made by and between Village of Hoffman Estates as the Owner of the NOW Arena ("the Village") and Andy Frain Services, INC. ("Contractor"), collectively ("the Parties"):

WHEREAS, the Parties have entered into that certain Memorandum of Agreement - Village of Hoffman Estates dated January 3, 2019 (the "Existing Agreement"), in respect of an agreement to provide security and parking services; and

WHEREAS, the Parties desire to modify the terms relating to the pay wages for new and existing employees working events between September 1, 2021 and December 31, 2021.

NOW THEREFORE, the Parties agree as follows:

1. Capitalized terms used and not defined in this Amendment have the respective meanings assigned to them in the Existing Agreement. All references in the Existing Agreement or any other document to "the Agreement" or otherwise to the Existing Agreement shall mean the Existing Agreement as amended hereby.
2. Appendix B of the Existing Agreement shall have an additional staffing rate for any new staff hired and existing staff employed during the period between July 21, 2021 and December 31, 2021. Andy Frain Services, INC. staff hired or currently employed and working at the NOW Arena during this period will be in accordance with the pay rates below for the duration of the Existing Agreement's Term (August 30, 2023). Any employees hired after December 31, 2021, will be paid in accordance with the Existing Agreement pay rates:

NOW Arena Staffing Rates Hired between 9/1/2021 and 12/31/21			
Position	Pay Rates (9/1/2021 - 12/31/21)	Bill Rates 2021 9/1/21 - 8/30/22	Bill Rates 2022 9/1/22 - 8/30/23
Event Contract Manager	Salary	\$35.00	\$35.72
15 Event Parking Manager 13%	\$17.00	\$34.00	\$34.70
12.50 Guest Services Supervisor 20%	\$15.00	\$22.05	\$22.50
12.50 Security Supervisors 28%	\$16.00	\$23.52	\$24.00
12.50 Parking Supervisors 28%	\$16.00	\$23.52	\$24.00
11.50 Security Officers 30%	\$15.00	\$22.05	\$22.50
11.50 Guest Services / Event Staff 22%	\$14.00	\$20.58	\$21.00
12 Parking Cashiers 21%	\$14.50	\$21.32	\$21.75
Parking Auditors	\$16.00	\$23.52	\$24.00
11.50 Parking Directors 22%	\$14.00	\$20.58	\$21.00
Basketball Only			
Position	Pay Rates (7/1/2021)	Bill Rates 2021 7/1/21 - 8/30/22	Bill Rates 2022 9/1/22 - 8/30/23
NO CHANGE TO RATES			

Contractor:
Andy Frain Services, INC.

Licenser:
Village of Hoffman Estates
By its agent Global Spectrum

By: <i>David Clayton</i>	By:
Name: <i>David N. A.</i>	Name:
Title: <i>President</i>	Title: Village President
Date: <i>7/15/21</i>	Date:

COMMITTEE AGENDA ITEM VILLAGE OF HOFFMAN ESTATES

SUBJECT: Request authorization of an Employee Leasing Agreement with GovTempsUSA, LLC, for Civil Engineer staff services at a rate of \$77 per hour

MEETING DATE: December 13, 2021

COMMITTEE: Finance

FROM: Peter Gugliotta, Director of Development Services

REQUEST: Request authorization of an Employee Leasing Agreement with GovTempsUSA, LLC, for Civil Engineer staff services at a rate of \$77 per hour.

BACKGROUND: In April 2021, the Village retained the services of an experienced Professional Engineer through a contract with GovTempsUSA, LLC (GovTemps) to cover a critical staff vacancy. While the initial vacant position was filled, subsequent staff changes resulted in another vacancy that will remain into the first quarter of 2022. The original GovTemps, contract expires on December 31, 2021.

A recruitment effort is underway to fill the current vacant Engineering Senior Project Manager position. Under an ambitious schedule, this position may be filled by the end of January, however, much like other industries, the number of applicants is much lower than typical and it may require a longer period to locate a qualified candidate.

The GovTemps employee who has been working with the Village since early in 2021 has proven to be a highly valuable asset due to his extensive professional engineering experience in municipal government. This engineer has indicated availability to continue working into 2022.

DISCUSSION: A new contract with GovTempsUSA, LLC to extend the service of a professional engineer is attached for Committee and Village Board consideration. This contract is identical to the one approved in April 2021, except for updated dates. The hourly rate will remain the same and the initial period will be valid for five months (through July 1) and can be extended to the end of 2022.

DISCUSSION: (Cont'd)

Importantly, either party may terminate the agreement by providing two weeks written notice. The intent is to keep the current temporary engineer until soon after a new permanent employee is hired and prepared to take over regular tasks, ideally soon after hiring. Since the Village has a significant amount of planned infrastructure projects in 2022 and also anticipates a busy schedule of private development projects, it is critical the Engineering Division have no interruption in staff capacity.

The contract is structured so the temporary staff assistance is done on a contract basis and not as an employee of the Village. The Village will pay GovTemps on a monthly basis at the agreed upon rate of \$77 per hour, which will cover the employee's pay plus all GovTemps costs. This person will be scheduled to work 20-26 hours per week, as determined by the Director of the Engineering Division.

FINANCIAL IMPACT:

The cost of the temporary employee will be covered by salary savings from the position vacancy and other funds that may become available. Village management staff will monitor the duration of the GovTemps contract to ensure adequate funds are available to cover the ongoing costs.

RECOMMENDATION:

Request authorization of an Employee Leasing Agreement with GovTempsUSA, LLC, for Civil Engineer staff services at a rate of \$77 per hour.

Attachment

EMPLOYEE LEASING AGREEMENT

THIS EMPLOYEE LEASING AGREEMENT (this "Agreement") is made by and between **GOVTEMPUSA, LLC**, an Illinois limited liability company ("GovTemps"), and **Village of Hoffman Estates** (the "Municipality") (GovTemps and the Municipality may be referred to herein individually as "Party" and collectively as the "Parties")

RECITALS

The Municipality desires to lease certain employees of GovTemps to assist the Municipality in its operations and GovTemps desires to lease certain of its employees to the Municipality on the terms and conditions contained herein.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth below, and other good and valuable considerations, the receipt and sufficiency of which are mutually acknowledged by the Parties, the Parties hereby agree as follows:

SECTION 1 SCOPE OF AGREEMENT

Section 1.01. Worksite Employee. The Municipality hereby agrees to engage the services of GovTemps to provide, and GovTemps hereby agrees to supply to the Municipality, the personnel fully identified on **Exhibit A** hereto, hereinafter the "Worksite Employee." **Exhibit A** to this Agreement shall further identify the employment position and/or assignment ("Assignment") the Worksite Employee shall fill at the Municipality and shall further identify the base compensation for each Worksite Employee, as of the effective date of this Agreement. **Exhibit A** may be amended from time to time by a replacement **Exhibit A** signed by both GovTemps and the Municipality. GovTemps shall have the sole authority to assign and/or remove the Worksite Employee, provided, however, that the Municipality may request, in writing, that GovTemps remove or reassign the Worksite Employee, such request shall not be unreasonably withheld by GovTemp. The Parties hereto understand and acknowledge that the Worksite Employee shall be subject to the Municipality's day-to-day supervision.

Section 1.02. Independent Contractor. GovTemps is and shall remain an independent contractor, and not an employee, agent, partner of, or joint venturer with, the Municipality. GovTemps shall have no authority to bind the Municipality to any commitment, contract, agreement or other obligation without the Municipality's express written consent.

SECTION 2 SERVICES AND OBLIGATIONS OF GOVTEMPS AND MUNICIPALITY

Section 2.01. Payment of Wages. GovTemps shall timely pay the wages and related payroll taxes of the Worksite Employee from GovTemp's own account in accordance with federal and Illinois law and GovTemp's standard payroll practices. GovTemps shall withhold from such wages all applicable taxes and other deductions elected by the Worksite Employee.

GovTemps shall timely forward all deductions to the appropriate recipient as required by law. The Municipality hereby acknowledges that GovTemps may engage a financial entity to maintain its financing and record keeping services, which may include the payment of wages and related payroll taxes in accordance with this Section 2.01. The Municipality agrees to cooperate with any such financial entity to ensure timely payment of (i) wages and related payroll taxes pursuant to this Section 2.01, and (ii) Fees pursuant to Section 3.03.

Section 2.02. Workers' Compensation. To the extent required by applicable law, GovTemps shall maintain and administer workers' compensation, safety and health programs. GovTemps shall maintain in effect workers' compensation coverage covering all Worksite Employee and complete and file all required workers' compensation forms and reports.

Section 2.03. Employee Benefits. GovTemps shall provide to Worksite Employee those employee benefits fully identified on **Exhibit B** hereto. GovTemps may amend or terminate any of its employee benefit plans according to their terms. All employee benefits, including severance benefits for Worksite Employee will be included in Fees payable to GovTemps under Section 3.01 of this Agreement.

Section 2.04. Maintenance and Retention of Payroll and Benefit Records. GovTemps shall maintain complete records of all wages and benefits paid and personnel actions taken by GovTemps in connection with any of the Worksite Employee, shall retain control of such records at such GovTemps location as shall be determined solely by GovTemps, and shall make such records available as required by applicable federal, state or local laws.

Section 2.05. Other Obligations of GovTemps. GovTemps shall be responsible for compliance with any federal, state and local law that may apply to its Worksite Employee(s).

Section 2.06. Direction and Control. The Parties agree and acknowledge that the Municipality has the right of direction and control over the Worksite Employee, including matters of discipline, excluding removal or reassignment, as provided for by Section 1.01. The Worksite Employee shall be supervised, directly and indirectly, and exclusively by the Municipality's supervisory and managerial employees.

Section 2.07. Obligations of the Municipality. As part of the employee leasing relationship, the Municipality hereby covenants, agrees and acknowledges:

- (a) The Municipality shall comply with OSHA and all other health and safety laws, regulations, ordinances, directives, and rules applicable to the Worksite Employee or to his or her place of work. The Municipality agrees to comply, at its expense, with all health and safety directives from GovTemps internal and external loss control specialists, GovTemp's workers' compensation carrier, or any government agency having jurisdiction over the place of work. The Municipality shall provide and ensure use of all personal protective equipment as required by any federal, state or local law, regulation, ordinance, directive, or rule or as deemed necessary by GovTemp's workers' compensation carrier. GovTemps and GovTemps' insurance carriers shall have the right to inspect the Municipality's premises to ensure that the Worksite Employee is not exposed to an unsafe work place. In no way shall GovTemp's rights under this paragraph

affect the Municipality's obligations to the Worksite Employees under applicable law or to GovTemps under this Agreement;

(b) With respect to the Worksite Employees, the Municipality shall comply with all applicable employment-related laws and regulations, including and, without limitation, Title VII of the Civil Rights Act of 1964, as amended, (Title VII), the Americans With Disabilities Act of 1990 (ADA), the Age Discrimination in Employment Act (ADEA), the Equal Pay Act of 1963, the Civil Rights Acts of 1866 and 1871 (42 U.S.C. § 1981), the Family and Medical Leave Act of 1993, the Fair Labor Standards Act of 1938, the National Labor Relations Act, the Employee Retirement Income Security Act of 1974, the Illinois State Constitution, the Illinois Human Rights Act, and any other federal, state or local law, statute, ordinance, order, regulation, policy or decision regulating wages and the payment of wages, prohibiting employment discrimination or otherwise establishing or relating to rights of employees;

(c) The Municipality shall retain the right to exert sufficient direction and control over the Worksite Employee as is necessary to conduct the Municipality's business and operations, without which, the Municipality would be unable to conduct its business, operation or comply with any applicable licensure, regulatory or statutory requirements;

(d) The Municipality shall not have the right to remove or reassign the Worksite Employee unless mutually agreed to in writing by GovTemps and the Municipality in accordance with Section 1.01;

(e) The Municipality agrees that the Municipality shall pay no wages, salaries or other forms of direct or indirect compensation, including employee benefits, to Worksite Employee;

(f) The Municipality shall report to GovTemps any injury to any Worksite Employee of which it has knowledge within twenty-four (24) hours of acquiring such knowledge. If a Worksite Employee is injured in the course of performing services for the Municipality, the Municipality and GovTemps shall follow the procedures and practices regarding injury claims and reporting, as determined by GovTemp. Upon receipt of notification from GovTemps or its insurance carrier that an injured Worksite Employee is able to return to work and perform "light duty," the Municipality shall immediately make available an appropriate light duty work assignment for such Worksite Employee to the extent required or permitted by any applicable law; and

(g) The Municipality shall report all on-the-job illnesses, accidents and injuries of the Worksite Employee to GovTemps within twenty-four (24) hours following notification of said injury by employee or employee's representative.

SECTION 3 FEES PAYABLE TO GOVTEMP

Section 3.01. Fees. The Municipality hereby agrees to pay GovTemps fees for the services provided under this Agreement as follows:

(a) The base compensation as fully identified on **Exhibit A**, as amended; plus

(b) Any employee benefits GovTemps paid to the Worksite Employee as identified on **Exhibit B** hereto, including, but not limited to, salary; wages; commissions; bonuses; sick pay; workers' compensation, health and other insurance premiums; payroll, unemployment, FICA and other taxes; vacation pay; overtime pay; severance pay; monthly automobile allowances, and any other compensation or benefits payable under any applicable GovTemps pension and welfare benefit plan or federal, state or local laws covering the Worksite Employee.

Section 3.02. Increase in Fees. GovTemps may increase fees to the extent and equal to any mandated tax increases, e.g. FICA, FUTA, State Unemployment taxes when they become effective. GovTemps may also adjust employer benefit contribution amounts by providing the Municipality with a written thirty (30) day notice, provided, such changes in employer benefit contribution amounts apply broadly to all GovTemps employees.

Section 3.03. Payment Method. Following the close of each month during the term of this Agreement, GovTemps shall provide the Municipality a written invoice for the fees owed by the Municipality pursuant to this Agreement for the prior month. Within thirty (30) days following receipt of such invoice, the Municipality shall pay all invoiced amounts by check, wire transfer or electronic funds transfer to GovTemps to an account or lockbox as designated on the invoice.

SECTION 4 INSURANCE

Section 4.01. General and Professional Liability Insurance. The Municipality shall maintain in full force and effect at all times during the term of this Agreement a Comprehensive (or Commercial) General Liability and Professional Liability (if applicable) insurance policy or policies (the "Policies"), with minimum coverage in the amount of \$1,000,000 per occurrence, \$3,000,000 aggregate. At a minimum, the Policies shall insure against bodily injury and property damage liability caused by on-premises business operations, completed operations and/or products or professional service and non-owned automobile coverage.

Section 4.02. Certificate of Insurance. Upon request, the Municipality shall provide GovTemps with one or more Certificates of Insurance, verifying the Municipality's compliance with the provisions of Section 4.01.

Section 4.03. Automobile Liability Insurance. If the Worksite Employee drives a Municipal or personal vehicle for any reason in connection with his or her Assignment, the Municipality shall maintain in effect automobile liability insurance which shall insure the Worksite Employee, GovTemps and the Municipality against liability for bodily injury, death and property damage.

SECTION 5 DURATION AND TERMINATION OF AGREEMENT

Section 5.01. Effective and Termination Dates. The Effective Date of this Agreement is the date that this Agreement is last signed by GovTemps on the signature page (the "Effective Date"). The period during which the Assigned Employee works at the Client is defined as the ("Term"). The Term commences on the Effective Date and will continue for the period identified on the attached Exhibit A, or until it is terminated in accordance with the remaining provisions of this Section 5. For the purposes of this Agreement, the date on which this Agreement expires and/or is terminated is the ("Termination Date").

Section 5.02. Termination of Agreement for Failure to Pay Fees. If the Municipality fails to timely pay the fees required under this Agreement, GovTemps may give the Municipality notice of its intent to terminate this Agreement for such failure and if such failure is remedied within ten (10) days, the notice shall be of no further effect. If such failure is not remedied within the ten (10) day period, GovTemps shall have the right to terminate the Agreement upon expiration of such remedy period.

Section 5.03. Termination of Agreement for Material Breach. If either Party materially breaches this Agreement, the non-breaching Party shall give the breaching Party notice of its intent to terminate this Agreement for such breach and if such breach is remedied within ten (10) days, the notice shall be of no further effect. If such breach is not remedied within the ten (10) day period, the non-breaching Party shall have the right to immediately terminate the Agreement upon expiration of such remedy period.

SECTION 6 NON-SOLICITATION

Section 6.01. Non-Solicitation. The Municipality acknowledges GovTemp's legitimate interest in protecting its business for a reasonable time following the termination of this Agreement. Accordingly, the Municipality agrees that during the term of this Agreement and for a period of two (2) years thereafter, the Municipality shall not solicit, request, entice or induce Worksite Employee to terminate his or her employment with the GovTemp, nor shall the Municipality hire Worksite Employee as an employee.

Section 6.02. Injunctive Relief. The Municipality recognizes that the rights and privileges granted by this Agreement are of a special, unique, and extraordinary character, the loss of which cannot reasonably or adequately be compensated for in damages in any action at law. Accordingly, the Municipality understands and agrees that GovTemps shall be entitled to equitable relief, including a temporary restraining order and preliminary and permanent injunctive relief, to prevent or enjoin a breach of Section 6.01 this Agreement. The Municipality also understands and agrees that any such equitable relief shall be in addition to, and not in substitution for, any other relief to which the GovTemps may be entitled.

Section 6.03. Survival. The provision of this Section 6 shall survive any termination of this Agreement.

**SECTION 7
DISCLOSURE AND INDEMNIFICATION PROVISIONS**

Section 7.01. GovTemps Liability. GovTemps shall be liable for all claims, liabilities, attorney's fees, costs and expenses related to (i) the acts, errors, or omissions of GovTemp, its related business entities, its agents, representatives, and employees, including any breach hereunder, and (ii) the Worksite employee that related to events or incidents occurring prior to or subsequent to the terms of this Agreement.

Section 7.02. Municipality's Liability. Except to the extent prohibited by law and without waiving any and all of its defenses including those pursuant to the Illinois Local Government and Government Employee's Tort Immunity Act, 745 ILCS 10/1-101 et seq., Municipality shall be liable for (i) the acts, errors or omissions of the Municipality, relating to the activities or conditions associated with the Assignment. Notwithstanding the foregoing, Municipality shall have no obligations to GovTemps with respect to Losses arising out of events or incidents occurring before or after the term of this Agreement. In accordance with Section 2.02 herein, Municipality shall not indemnify GovTemps for any worker's compensation benefits or payments made to Worksite Employee by GovTemps arising out of the performance of this Agreement.

Section 7.03. Survival of Indemnification Provisions. The provisions of this Section 7 shall survive the expiration or other termination of this Agreement.

**SECTION 8
ADDITIONAL PROVISIONS**

Section 8.01. Amendments. This Agreement may be amended at any time and from time to time, but any amendment must be in writing and signed by all of the Parties to this Agreement, except for changes to the fees as set forth in Section 3.

Section 8.02. Binding Effect. This Agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, successors, representatives and assign. Neither Party may assign its rights or delegate its duties hereunder without the express written consent of the other Party, which consent shall not be unreasonably withheld.

Section 8.03. Counterpart Execution. This Agreement may be executed and delivered in any number of counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument. This Agreement may be executed and delivered via facsimile.

Section 8.04. Definitions. Terms and phrases defined in any part of this Agreement shall have the defined meanings wherever used throughout the Agreement. The terms "hereunder" and "herein" and similar terms used in this Agreement shall refer to this Agreement in its entirety and not merely to the section, subsection or paragraph in which the term is used.

Section 8.05. Entire Agreement. This Agreement constitutes the entire agreement between the Parties regarding GovTemp's provision of Worksite Employee to the Municipality, and contains all of the terms, conditions, covenants, stipulations, understandings and provisions

agreed upon by the Parties. This Agreement supersedes and takes precedence over all proposals, memorandum agreements, tentative agreements, and oral agreements between the Parties, made prior to and including the date hereof, and not specifically identified and incorporated in writing into this Agreement. No agent or representative of either Party hereto has authority to make, and the Parties shall not be bound by or liable for, any statement, representation, promise, or agreement not specifically set forth in this Agreement.

Section 8.06. Further Assurances. Each of the Parties shall execute and deliver any and all additional papers, documents, and other assurances and shall do any and all acts and things reasonably necessary in connection with the performances of their obligations hereunder and to carry out the intent of the parties hereto.

Section 8.07. Gender. Whenever the context herein so requires, the masculine, feminine or neuter gender and the singular and plural number shall each be deemed to include the other.

Section 8.08. Notices. Notices given under this Agreement shall be in writing and shall either be served personally or delivered by certified first class U.S. Mail, postage prepaid and return receipt requested or by overnight delivery service. Notices also may effectively be given by transmittal over electronic transmitting devices such as Telex or facsimile machine if the Party to whom the notice is being sent has such a device in its office, provided that a complete copy of any notice shall be mailed in the same manner as required for a mailed notice.

Notices shall be deemed received at the earlier of actual receipt or three days from mailing date. Notices shall be directed to the Parties at their respective addresses shown below. A Party may change its address for notice by giving written notice to the other Party in accordance with this Section:

If to GovTemp:	GOVTEMPSUSA, LLC 630 Dundee Road, Suite# 225 Northbrook, Illinois 60062 Attention: Michael J. Earl Telephone: 224-261-8366 E-mail: mearl@govhrusa.com
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If to the Municipality:	Village of Hoffman Estates 1900 Hassell Road Hoffman Estates, IL 60169 Attention: Patrick J. Seger Telephone: (847) 781-2691 Email: Patrick.seger@hoffmanestates.org
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Section 8.09. Section Headings. Section and other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 8.10. Severability. If any part or condition of this Agreement is held to be void, invalid or inoperative, such shall not affect any other provision hereof, which shall continue to be effective as though such void, invalid or inoperative part, clause or condition had not been made.

Section 8.11. Waiver of Provisions. The failure by one Party to require performance by the other Party shall not be deemed to be a waiver of any such breach, nor of any subsequent breach by the other Party of any provision of this Agreement. Such waiver shall not affect the validity of this Agreement, nor prejudice either Party's rights in connection with any subsequent action. Any provision of this Agreement may be waived if, but only if, such waiver is in writing signed by the Party against whom the waiver is to be effective.


Section 8.12. Confidentiality. Each Party shall protect the confidentiality of the other's records and information and shall not disclose confidential information without the prior written consent of the other Party. Each Party shall reasonably cooperate with the other Party regarding any Freedom of Information Act (FOIA) request calling for production of documents related to this Agreement.

Section 8.13. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois applicable to contracts made and to be performed entirely within such state, except the law of conflicts.

[Signatures on following page]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

GOVTEMPUSA, LLC,
an Illinois limited liability company

By 
Name: Joellen J. Cademartori
Title: President/Co-owner

EFFECTIVE DATE: January 3, 2022

MUNICIPALITY

By _____
Name: _____
Title: _____

EXHIBIT A
Worksite Employee and Base Compensation

WORKSITE EMPLOYEE: Paul Redman

POSITION/ASSIGNMENT: Engineering Technician

POSITION TERM: January 3, 2022 – July 1, 2022

Agreement will automatically be extended on a bi-weekly basis up to December 30, 2022 unless either party provides two weeks advance written notice to terminate the agreement.

Either party may terminate the agreement by providing two weeks advance written notice.

BASE COMPENSATION: \$77/hour. The worksite employee will work a variable schedule but it is anticipated that the worksite employee will average about 20-26 hours/week. Employee will be compensated only for hours worked and will not be compensated for Village Holidays or any other time off for personal reasons. Hours should be reported via email to payroll@govtempusa.com by the close of business on the Monday after the prior work week.

The Municipality will be invoiced every other week for hours worked.

GOVTEMPUSA, INC.:

By: 

Date: November 23, 2021

MUNICIPALITY:

By: _____

Date: _____

This Exhibit A fully replaces all Exhibits A dated prior to the date of the Company's signature above.

EXHIBIT B
Summary of Benefits

Not Applicable.



Village of Hoffman Estates
Information Technology Department

2021 NOVEMBER MONTHLY REPORT

Contents

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November Synopsis

- The final push to resolve outstanding issues and finalize the setup of Community Development (TRAKIT) occupied most of our time in November. The training sessions took place during November and changes were requested as a result of that training that had to be configured.
- Open Enrollment was closed shortly after the beginning of November and the process to analyze and confirm employees' selection was performed as was the Post from EAC to FinancePLUS. We also posted the deductions that begin at the end of November.

CentralSquare/GovQA Support Cases

- Open and closed case to have PLUS training databases refreshed.
- Created SQL script to update RRL License Deadline date.
- Open and closed case to remove user.

Project Activities

- Our connection to the SSRS environment needed to be adjusted for the move to Hosted and that impacted our ability to write the SSRS reports for a couple of weeks at the beginning of November.
- Attended a weeklong SME training session for Community Development.
- Finalized the Project Workbook entry.
- Re-entered all Project Fees twice; once at the beginning of the month to align the fees with the lookup tables and the changes requested, and then again after a glitch removed them all.
- As a result of the transfer of responsibility for the GIS integration to Sean, attended multiple meetings to discuss what is needed in Community Development so that GIS parcels and addresses are available for each application. We provide a daily report of locations and their owners from CommunityPLUS to keep them in sync, but there is an issue that Sean will need help from ESRI to import it daily to GIS, which feeds Land Management in TRAKIT. Other GIS issues were also discussed in terms of their impact on TRAKIT.
- Many adjustments needed to be made as a result of the switch from the AWS to a Hosted environment.
- Reviewed permitting Workbook and verified set up.
- Finalized the Entity Workbook entry

- Continued testing the Community Development applications.
- Attended additional SSRS training.
- Completed SSRS reports and had them published.
- Adjusted the Fire Department Merge Documents that pull date from custom screens for their fire pre plans to correct a few merge fields.
- Attended CRM training to review questions related to the CRM Workbook.
- Completed the CRM workbook with the updates from Development Services.
- Attended Agency Center Overview.
- New users were added to TRAKIT.
- Assisted multiple users who needed TRAKIT password resets prior to training and then again after training.
- Adjustments were made to Merge Docs and SSRS reports for Projects and Code Enforcement.

Work Orders

- Made changes to Bill List to include the changed Development Services department names.
- Provided the Finance Department a file of Village addresses per the request from Commonwealth Edison. This will be used to verify their address data.
- Worked with Jake to extract HRM employee personnel and pay rate data from FinancePLUS. This data is needed for the automated PAN process he is developing.
- Created SQL script to update RRL License Deadline date.
- Provided Cash Receipts access to four Finance Employees.
- Assisted Finance Department with sending paycheck vouchers via email.
- Created the import file and Loaded November Deductions for Open Enrollment.
- Applied GP Penalties.
- Added several locations.
- Update Cognos report for Fire Admin to remove closed Fire and Safety accounts.
- Updated the Cognos letters for RRL renewals and completed the renewal process to apply the yearly fees.
- Added new three job class codes for the IT Department.

Administration

- Prepared monthly report.
- Processed Payroll for department employees on 11/1/21, 11/15/21 and 11/29/21.

Training

- Four days of Community Development Training was held by CentralSquare for all the involved staff members during the first week of November. This training covered all the applications and processes we will be utilizing.
- Participated in SSRS Training to fine-tune our reports.

Meetings

- Biweekly meeting with IT Director on 11/9/2021.
- Overall meeting to discuss Business Systems and Applications ongoing projects.
- Met with PLUS Support to discuss running Executive Payroll during the Year End period. This was needed because we had an issue last year printing the checks in the test environment.

Project Activities

Project – Multi-Factor Authentication

- As a result of insurance mandates, staff began the deployment of a Multifactor Authentication solution enterprise wide. In accordance with the new mandates MFA was implemented on all Village email accounts using Microsoft's MFA solution and all VPN and administrative accounts using the DUO Two Factor Authentication solution.

Project – Laserfiche

- I.T. staff in conjunction with representatives from our Human Resources Department continued to work on an electronic PAN form. Once completed and polished, the introduction of this electronic form will greatly reduce staff time while processing employee rises and other requests. This process will greatly automate tasks required to complete the process and will allow our staff to place their focus in other areas.

Security and Other Updates

- I.T. staff reconfigured external DNS in order to provide services for new water billing service.
- I.T. staff updated DNS settings on Verizon Wireless VPN tunnels.
- I.T. staff relocated staff equipment in the Finance Department.
- I.T. staff continues to work on the range system at the Police Department.
- I.T. staff applied critical patches, updates and other critical updates.
- I.T. staff continues to update and monitor anti-virus system to ensure at most reliability and safety.
- I.T. staff continues to monitor and adjust if necessary all of our backup jobs.
- I.T. staff updated and reorganized our network documentation in order to reflect new changes.
- I.T. staff continues to deploy KnowBe4 email campaign.
- I.T. staff performed general WSUS Update and service cleanup.

Meetings

- I.T. staff met and discussed CallOne phone lines and plans.
- I.T. staff attended Bid Opening Meeting for NowArena Switches.
- I.T. staff attended CIB meeting.

Technical Support, Hardware & Software Activities

- Applied necessary software updates as needed.
- 189 Help desk requests were opened during the month of November.
- 172 Help desk requests were closed during the month of November.
- Self Service Password Resets or Account Unlocks: 5
- Email passwords reset: 0
- SunGard passwords reset: 0
- Voicemail passwords reset: 0
- User accounts unlocked: 6
- Active Directory Password Resets: 5

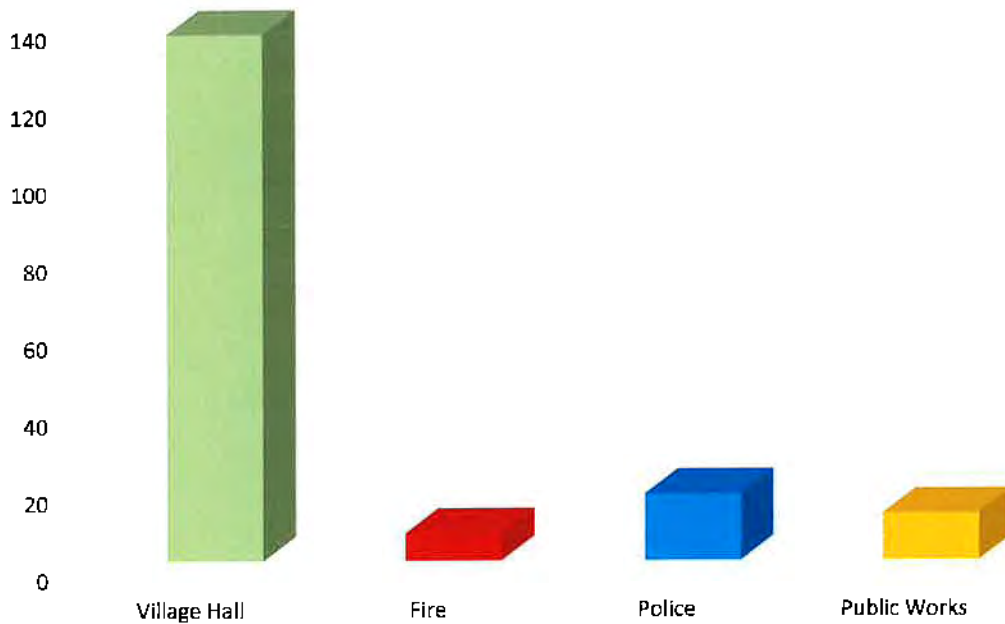
Director Summary

- Project status with CentralSquare
 - Project update status
 - Invoicing
- Covid after action meeting with the EOC coordinator
- Vendor meeting with Ntiva to discuss contract termination in March 2022
- Budget Workshop
- Management team meeting.
- Bi Weekly department division meetings
 - Project progress
 - Division Goals Review
- Monthly M5-ISAC/EI-ISAC conference call.

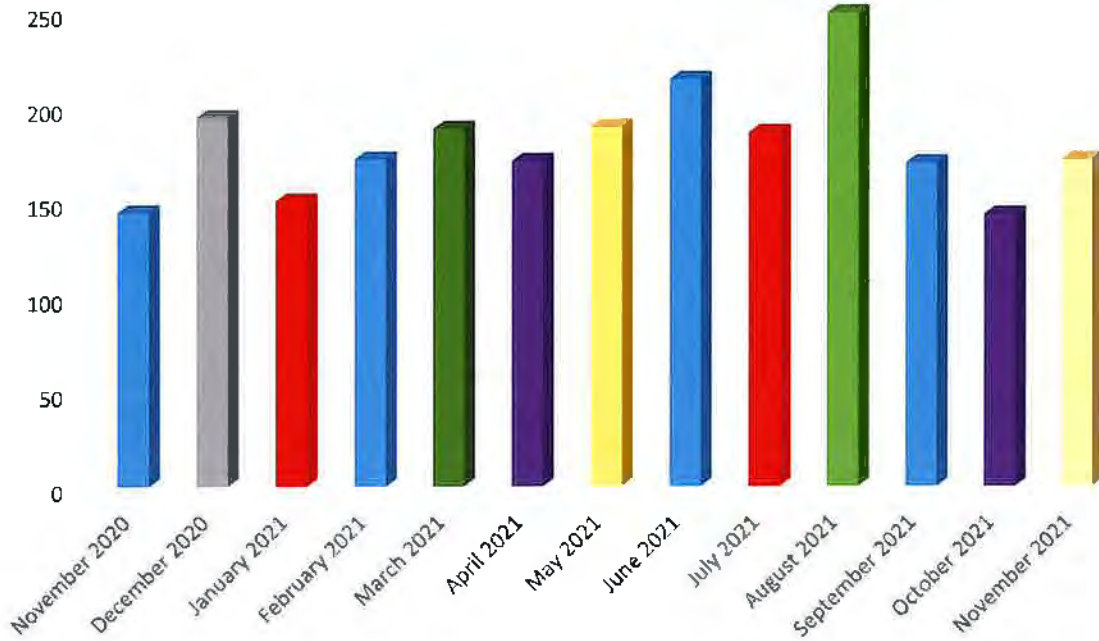
Total Work Orders by Priority by Month

Month	November
1 - Normal	136
2 - High	3
3 - Urgent	1
Project	0
Scheduled Event	49
Vendor intervention required	0
Total for Month	189

Completed Work Orders by Location



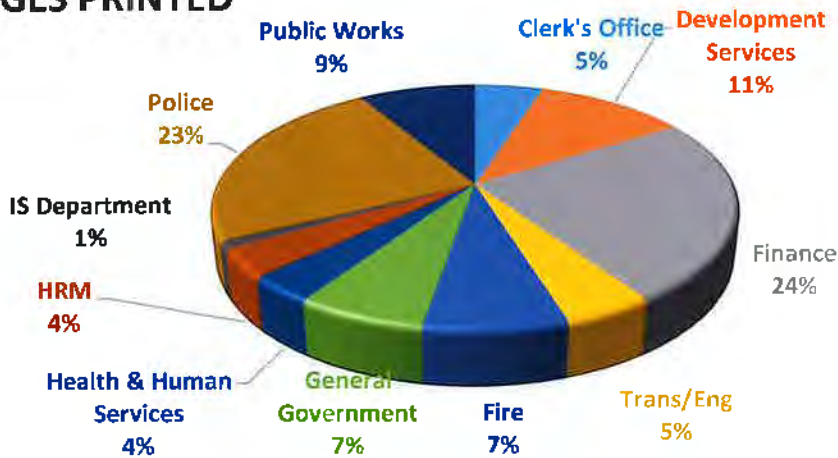
Completed Work Orders by Month



Printer Usage Report

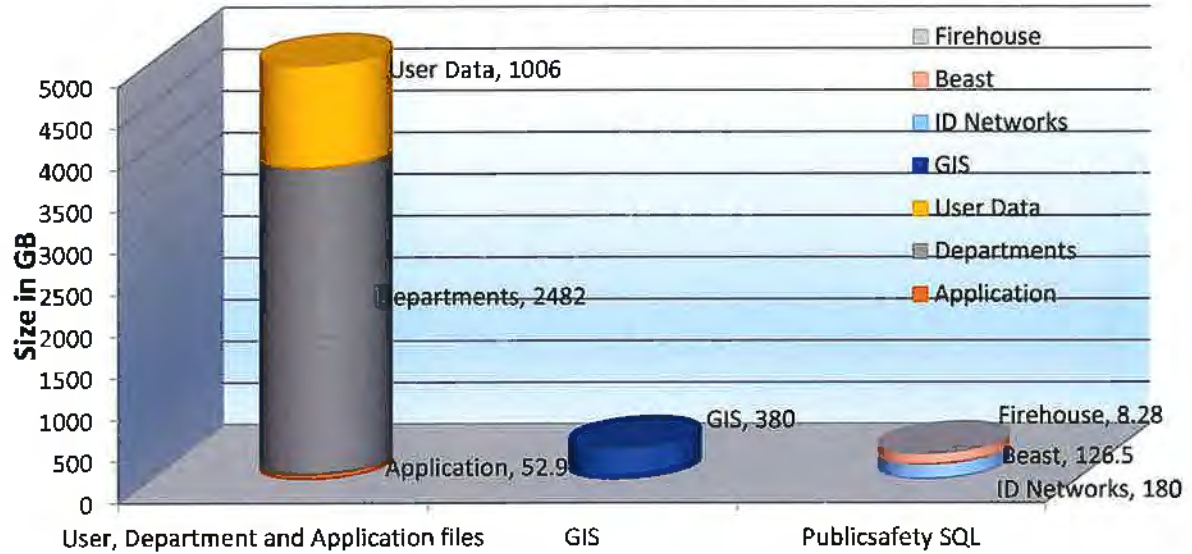
In the month of November there were 42647 pages printed across the village. The following graph breaks down printer usage by department.

PAGES PRINTED



System and Data Functions

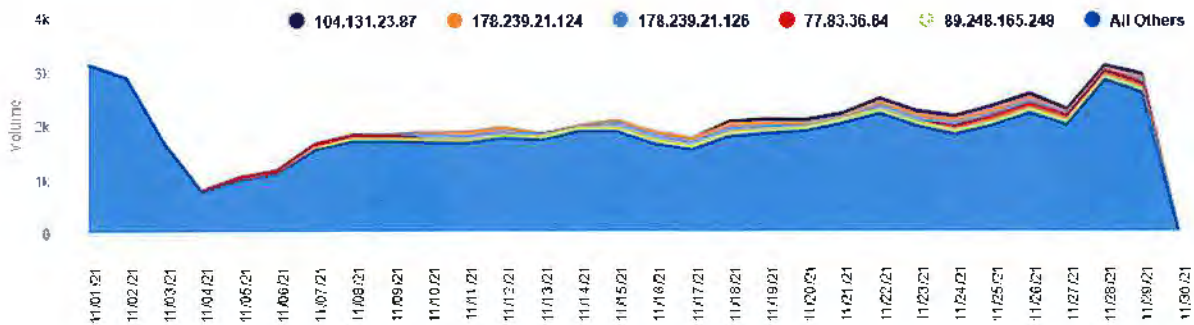
Disk Usage



Sentinel IPS Attack Report

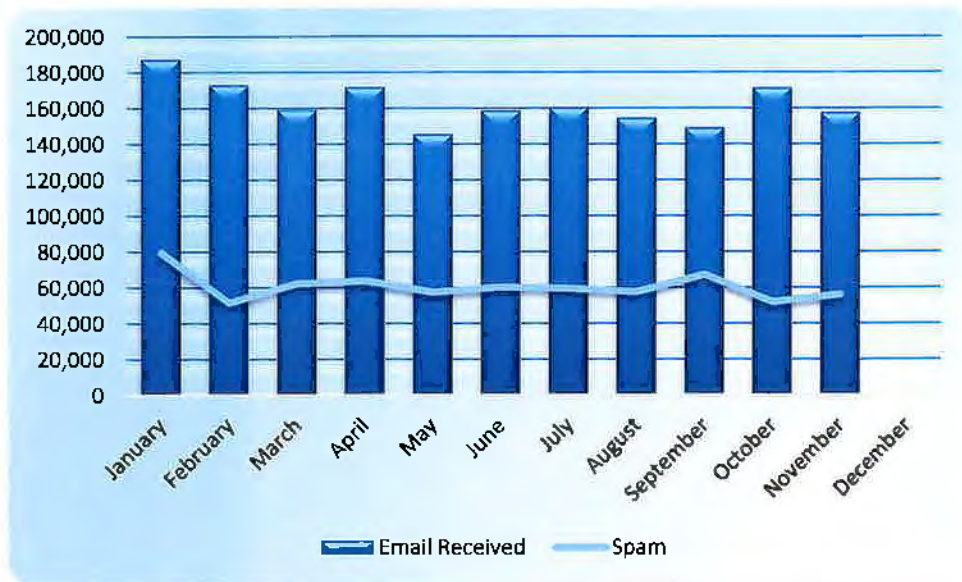
External parties attacked the Village network 59219 times during the month of November

Attack Volume with 5 Most Active IP Addresses



Email Spam Report

Month	Email Received	Spam	Percent Spam
January	187,111	79,512	42%
February	172,771	51,487	30%
March	159,128	62,175	39%
April	171,555	63,782	37%
May	145,287	57,358	39%
June	158,478	60,172	38%
July	160,249	59,424	37%
August	154,348	57,571	37%
September	148,970	67,157	45%
October	171,222	51,744	30%
November	157,558	56,105	36%
December			0%
Total	1,786,677	666,487	37%



Phishing Security Test Report

10/25/2021 - 12/03/2021

Campaign: Monthly Test

Groups: All users

Statistics

See report at <https://training.knowbe4.com>

0.6%

Phish-prone Percentage

338

Recipients

338

Deliveries

1

Clicks

0

Attachment Opened

0

Data Entered

1

Other Failures

0

Bounces

Phish-prone Percentage is calculated from the total number of phishing test failures divided by the number of emails delivered

Clicks by day



11/12/2021

Phishing Email Sent

See report at <https://training.knowbe4.com>

Fred Besenoffer, Director of Information Systems