DILLON’S RULE

Dillon’s Rule can be found on Page 1 of the Township Officials of Illinois Laws & Duties Handbook (Revised 2015). TOIRMA bases many of their coverage decisions on Illinois statutes.

Townships and other units of local government are regulated by provisions of Article VII, Sec. 8 of the 1970 Illinois Constitution which states in part, these governments “shall have only powers granted by law.” In the late 1800’s, John F. Dillon, a Supreme Court Justice in Iowa, developed this legal principle, which is known as Dillon’s Rule. In plain language it means that if there is no statute permitting a township or road district (or official) to perform a function or service, the government or official may not carry out that function regardless of how much it’s needed or wanted. If the statutes are silent (do not mention) regarding a particular power or function, it does not exist. If the power doesn’t exist, the government (or official) may not perform the service.

See Jim Donelan’s article on John Forest Dillon in the Winter 2015 TOIRMA News at https://www.toirma.org/newsletters/.

New Website and Claim Reporting Hotline

TOIRMA launched its website, www.toirma.org, in 2008. Thinking back, I remember the buzz at that time about the latest version of the iPhone, the 3G. People waited in lines for hours just to be one of the first to obtain this new technological wonder. Other products prevalent during this period were the Motorola Razr (remember how it flipped open), the BlackBerry, and most of us still had tube TVs and hard line telephones. Needless to say, a lot has changed in the world of electronics and how we obtain information since 2008. Websites and other electronic resources are useful tools for organizations such as TOIRMA and its members’. TOIRMA is pleased to announce the launch of our newly updated website, and the implementation of a new Claim Reporting Hotline, (844) 562-2720.

REPORTING CLAIMS – Hotline or Website

Although TOIRMA Members have been able to report claims during business hours by telephone since TOIRMA’s establishment on June 1, 1986, the new Claim Reporting Hotline affords members the opportunity to report claims toll-free, 24-hours a day, seven days a week, 365 days a year. Members are also able to now report claims online using easy-to-use forms on the TOIRMA website. Once a claim is submitted, a TOIRMA claims staff member will follow up and manage the claim appropriately.

CHANGES TO WEBSITE

The website has a new look designed with our members in mind. Information is easier to locate and new resources are continually being added. No matter what type of device a user is using (PC, Mac, tablet, or smartphone), the website adjusts (“responds”) accordingly to make the experience as user-friendly as possible. TOIRMA Members can also make changes to their coverages online in the “Coverages” area of the website. (i.e. reporting a new building or piece of equipment; equipment rental).

An online “Toolbox” is now available with useful items meant to assist townships with minimizing claims through loss prevention. “Risk Reminders” have been added addressing safety in the workplace. These one-page reminders may be reviewed online and printed for discussion with employees, distribution by supervisors, or posted in the workplace. Information on safety items, online training opportunities, and additional resources are also available in the “Toolbox” area of the site.

The TOIRMA newsletter, TOIRMA News, is available in electronic form. Members may also access contact information, history of the TOIRMA Program, marketing information, links to other websites and the TOIRMA Facebook and Twitter pages on the new site.

We hope you will find these new electronic resources helpful to your township. We continue to strive to make improvements to the TOIRMA Program while meeting the needs of townships throughout the State of Illinois.

Jim Donelan
Executive Director
Accidents happen. Mother Nature can wreak havoc and cause devastating damage to property. Employees and officials work schedules vary and injuries occur at various times. When a claim or a potential claim occurs, TOIRMA’s 24/7 Claim Reporting Hotline is ready to take your call.

The following information is needed to report a claim:

<table>
<thead>
<tr>
<th>Township Name &amp; County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mailing Address</td>
</tr>
<tr>
<td>Phone #</td>
</tr>
<tr>
<td>Date of Loss</td>
</tr>
<tr>
<td>Time</td>
</tr>
<tr>
<td>Location of Incident/Accident</td>
</tr>
</tbody>
</table>

**TOWING/GLASS**
- Year, Make & Model of Vehicle/Equipment

**TOWNSHIP – AUTO/INLAND MARINE/PROPERTY**
- Year, Make & Model of Vehicle/Equipment
- Building Name/Property-in-the-Open as listed on the control sheet
- Description of damage
- Township driver name & phone #

**LIABILITY CLAIM**
- Description of incident/accident
- Name, address & phone # of party claiming injury/damage
- Authorities & report #

**WORKERS’ COMPENSATION**
- Employee name, address & phone #
- Date of birth, social security #, date of hire
- Name of employee’s direct supervisor
- Job description
- Description of injury
- Body part(s) involved
- Witness information
- Treatment facility information
- Wage statement if lost time

Prompt notice allows prompt attention and we would rather know sooner than later. Even if you don’t have every detail, please don’t hesitate to call. We are here to assist you and provide direction with any claim or potential claim.
Mounting & Dismounting Equipment

Mounting and dismounting equipment causes many injuries each year. Some injuries are as serious as broken ankles or knees.

3 Point Contact (the Safety Triangle) provides safety for mounting and dismounting equipment, even with hazardous conditions such as mud, snow, or ice.

When you get on or leave the machine, always:

- Maintain a three point contact with the steps and hand holds.
- Face the machine when either mounting or dismounting.
- Never jump on or off the machine. Never attempt to mount or dismount a moving machine.
- Do not use the steering wheel or any control lever as a hand hold when you enter or leave the machine.

For more information, contact your Loss Control Consultant at (800) 252-5059, ext. 1387 or 1384.
TOIRMA presented the final course for 2016 in the TOI Professional Development Series this past October at the TOI office in Springfield. Pictured are Sean Richardson, TOIRMA Loss Control Representative, TED, and Jim Donelan, TOIRMA Executive Director during the Safety Presentation portion of the course. Also pictured is Rhonda Grubb from the Human Resources Help Line during her presentation.

SEEN & NOTED:
Workplace deaths in Illinois have increased 28 percent since 2013.

To reduce the risk of job related illness, injuries and fatalities, OSHA recommends that employers work with their employees to:

- Evaluate for workplace hazards
- Ensure machinery, tools and work areas are in good working order
- Develop procedures to eliminate hazards
- Provide personal protective equipment to employees and enforce its use
- Train employees on safe operating procedures and retrain frequently
- Encourage employees to report workplace hazards

FAQ’S

We receive some very good questions from our members! Below are some “Frequently Asked Questions” and answers.

By: Beth Eyrich, Underwriting Supervisor

1. Who needs to review the renewal packet?

We recommend reviewing the renewal packet at your board meeting. At minimum, the Supervisor should review the entire packet and the Highway Commissioner should review the control sheets as well.

2. Is it better to send in our own inventory spreadsheet or mark on the control sheets provided?

Please use the control sheets TOIRMA provides in your renewal packet to make changes. This will help us process your packet efficiently. To delete items on the control sheets, you may draw a single line through items you no longer own. To add items: Print the item, year, make, serial #, value, type (i.e. RC (Replacement Cost), FR (Functional Replacement) or ACV (Actual Cash Value)), and effective date in the blank space below your printed name.

3. Shouldn’t I decrease my Inland Marine (equipment) values? My equipment isn’t worth the amount listed.

If your equipment is listed at Functional Replacement (FR), you should not decrease the value. Functional Replacement allows you to value your equipment so you can get a different piece of used equipment, in the event of a covered loss, that will continue to meet the needs of the township. The replacement does not have to be the same year, make or condition.

4. Should we decrease our auto values?

Autos are handled differently than equipment in the respect that there is no Functional Replacement option for autos. All autos should be listed for Replacement Cost if they are three years old or newer. Any vehicle older than three years should be depreciated to Actual Cash Value.

5. Do we have to bid out coverages at renewal each year?

Under the Intergovernmental Cooperation Act, TOIRMA members are not required to annually bid this coverage.

6. Why cover the Multi-Township Assessing District (MTAD) if the assessor is contracted?

The MTAD should still be covered if the assessor is contracted because it is a separate entity and, therefore, would not be covered under any of the townships involved. TOIRMA’s MTAD package provides a Treasurer’s Bond and protection for the board.

OSHA Injury and Illness Recordkeeping and Reporting Requirements (Forms 300 and 300A) -- post February 1 — April 30

Employers with more than ten employees and whose establishments are not classed as a partially exempt industry must record work-related injuries and illnesses using OSHA Forms 300, 300A, and 301 available at https://www.osha.gov/recordkeeping/RKforms.html. Form 300A, the Summary of Work-Related Injuries and Illnesses, must be posted in the workplace every year from February 1 to April 30.


Reporting Fatalities, Hospitalizations, Amputations or Loss of an Eye

As of October 19, 2015, all public sector employers under Illinois OSHA’s jurisdiction must report:

- All work-related fatalities within 8 hours.
- All work-related inpatient hospitalizations, all amputations, and all losses of an eye within 24 hours.

You can report to Illinois OSHA by:

- Calling Illinois OSHA’s free and confidential number at (800) 782-7860.
- Calling (217) 782-7860 during normal business hours.

The reporter must give the following information for each fatality or hospitalization incident:

A. The establishment name;
B. The location of the incident;
C. The time of the incident;
D. The number of fatalities or hospitalized employees;
E. The names of any injured employees;
F. The reporter’s contact person and his or her phone number; and
G. A brief description of the incident.
Don’t Let Safety Take The Holiday Off!

While there is never a good time to get hurt, the holiday season is probably the worst time. Please keep safety in mind as you partake in annual festivities:

- Be careful using ladders to hang lights and decorations.
- Watch your step on snowy and icy ground, especially while carrying items.
  - Do not put your hands in your pockets when you are walking on slippery surfaces. You’ll need them if you slip and/or fall.
- Be extra careful driving during ‘winter conditions’.
  - Scrape snow and ice off all glass surfaces for increased visibility.
  - Keep windshield washer container filled with solvent.
  - Remove snow from headlights and taillights.
  - Be certain all lights are in working order.
  - Pump brakes only if vehicle doesn’t have Anti-lock Brakes.
  - Keep fuel tank at least one quarter filled to prevent freezing in system.
  - Use a fuel system anti-freeze to prevent fuel line freezing.
  - Keep extra clothing in trunk for emergencies.
  - Extend intervals between vehicles when pavement is slippery.
  - Be certain both heater and defroster are in proper working condition.
  - Use extra caution when children are around. When they are bundled up, they may not be able to look carefully before crossing streets.

Carbon Monoxide Alarm Detector Act

The Illinois state legislature has passed a law that the governor has signed so that effective January 1, 2007, every dwelling unit will be required to have at least one approved carbon monoxide alarm in an operating condition within 15 feet of every room used for sleeping purposes. Alarms can be battery powered, plug-in with battery back-up or wired into the AC power line with a secondary battery back-up.

- A “dwelling unit” means a room or suite of rooms used for human habitation, and includes single-family residences, multiple family residences, and mixed use buildings.
- Willful failure to install or maintain in operating condition any alarm is a Class B criminal misdemeanor.

WISHING ALL A SAFE & HAPPY HOLIDAY SEASON!

For more information, contact your Loss Control Consultant at (800) 252-5059, ext. 1387 or 1384.
DOL Issues Final Rule on Overtime Exemptions

By Rhonda Grubb, Human Resources Help Line

The U.S. Department of Labor (DOL) published the final rule revising the “white collar” overtime exemption regulations on May 18, 2016. This publication was the result of a process that began in March 2014 when President Obama directed the Secretary of Labor to review and “modernize and streamline” the current overtime regulations. In the final rule, the DOL estimates that the changes will impact 4.2 million white collar workers.

The most significant change made by the final rule is raising the minimum salary level for the white collar—executive, administrative and professional—exemptions under the Fair Labor Standards Act (FLSA). The final rule raises the minimum salary level from $455 per week, or $23,660 per year to $913 per week, or $47,476 per year. An individual earning below that threshold will not fall under the white collar exemptions from overtime pay. The final rule permits additional compensation — such as bonuses and commissions — to satisfy up to 10% of the minimum salary level. The final rule also raises the salary requirements for highly compensated employees from $100,000 per year to $134,004 per year. For the first time, the DOL has included a mechanism to automatically increase both of these salary levels. The new regulations go into effect on December 1, 2016.

Key Changes

The final rule spans over 160 pages. The following describes the main changes the final rule makes to current law:

Minimum salary level: Since 2004, the salary level for white collar overtime exemptions has been $455 per week, or $23,660 per year. The new rule more than doubles this amount, setting the minimum salary at $913 per week, or $47,476 per year.

Use of nondiscretionary bonuses and commissions: The DOL’s final rule permits employers to use certain other forms of compensation to satisfy up to 10% of the new minimum salary requirements. The additional compensation must be paid at least quarterly and may include nondiscretionary bonuses, incentive payments and commissions. The final rule requires employers to pay exempt employees at least 90% of the minimum salary level per workweek. This equates to $821.70 per workweek or $42,798.40 annualized. Additional compensation — up to $4,747.60 per year, or $1,186.90 per quarter — may be used to satisfy the remainder of the salary requirements. If, at the end of a quarter, the salary plus 10% of the additional compensation does not equal $913 per workweek, the final rule permits a one-time shortfall payment to be made. The shortfall payment must be paid no later than the first pay period following the end of the quarter. The shortfall payment must satisfy the minimum salary for the preceding quarter, as spread over a 13-week period. Such a payment applies only to the preceding quarter and cannot be used to meet the salary requirements for the quarter in which it was paid. If a shortfall payment is not made, overtime is then owed for hours worked over 40 per workweek in the corresponding quarter.

Highly compensated employees: The current minimum salary level to qualify as a highly compensated employee is $100,000 per year. The final rule increases it to $134,004 per year. According to the DOL, this amount represents the 90th percentile of full-time salaried workers nationally, as determined by the Bureau of Labor Statistics (BLS). To satisfy the requirements of the highly compensated employee test, employees must be paid a minimum of $913 per week in guaranteed salary. The shortfall mechanism described above cannot be applied to employers who rely on the highly compensated employee test. However, for compensation paid in excess of the minimum $913 per week, the regulations remain unchanged that bonuses or other incentive payments can be used to establish the $134,004 per year required salary. In other words, additional compensation of up to $86,528 — in the form of bonuses, commissions, or incentive payments — can be used to satisfy the highly compensated employee test.

Automatic increases: The final rule automatically increases the minimum salary level every three years. The first update will take effect January 1, 2020, with future increases set to take effect on January 1 every three years. The minimum salary for exempt white collar workers will be pegged to the 40th percentile of weekly earnings of full-time salaried workers in the lowest wage census region in the United States, currently the South. During the rulemaking’s comment period, many raised concern that tying increases to the 40th percentile of full-time salaried workers would result in dramatic increases to the minimum salary. Addressing this concern, the DOL indicated that only a “small fraction” of newly overtime-eligible employees will be converted to hourly workers; therefore, the impact of the new regulations will have a “negligible” impact on the 40th percentile data used to calculate automatic increases. The highly compensated employee salary threshold will be reset every three years at the 90th percentile of earnings of full-time salaried workers nationwide, based on BLS data from the prior year’s second quarter. The DOL will publish the new rates in the Federal Register at least 150 days before the updated salary levels go into effect.

Effective date: The new changes will go into effect on December 1, 2016. As of that date, the minimum salary levels for white collar exemptions and highly compensated employees must be in place. The final rule contains a non-enforcement policy “for providers of Medicaid-funded services for individuals with intellectual or developmental disabilities in residential homes and facilities with 15 or fewer beds.” For the narrow subset of employers who fall under this exception, the DOL will not enforce the updated salary threshold of $913 per week from December 1, 2016 to March 17, 2019. However, the final rule does not prevent employees from bringing a private action to enforce the new regulations.

Next Steps

All employers should review the current salary levels and compensation plans for all exempt employees to determine whether the new salary requirements are met. To the extent the decision is made to reclassify employees from overtime exempt to overtime eligible, employers should also develop comprehensive guidance to: (1) determine new hourly rates for impacted employees; (2) revise or update current timekeeping programs and policies to reflect the changes for any impacted employees.

The 500-plus page Final Rule is available on the following site: https://s3.amazonaws.com/public-inspection.federalregister.gov/2016-11754.pdf. The answers to frequently asked questions may be found on the following site: https://www.dol.gov/whd/overtime/final2016/faq.htm
Human Resources Help Line
Don’t forget to call for help with employee issues. (888) 472-6785 Ext. 1172

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