

Minnesota Counties Intergovernmental Trust

100 Empire Drive, Suite 100
St. Paul, MN 55103-1885
www.mcit.org

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August 17, 2011

Ms. Joyce M. Pesch
Region 4 South Adult Mental Health Consortium
P.O. Box 222
Elbow Lake, MN 56531

RECEIVED
AUG 19 2011

Re: 2012 Estimated Contribution Notice

Dear Joyce:

Enclosed are the following items:

- 2012 MCIT Estimated Contribution Notice for Property/Casualty and Workers' Compensation coverages
- Schedule of covered property, inland marine equipment and automobiles as of July 15, 2011

Your estimated 2012 contribution for property, inland marine and automobiles was based on this schedule. Please review the schedule in conjunction with any changes you have submitted to MCIT on or before July 15, 2011, to ensure that all items you intend to cover are appropriately covered with sufficient coverage limits. With few exceptions, coverage is only available for scheduled items. An updated schedule will be included with your 2012 Coverage Document in December, 2011.

MCIT provides this information to members for consideration during the budgeting process. **This is an estimate, not an invoice. No payment is required at this time. Invoices will be issued in December, 2011 and may differ slightly from the estimate due to changes made to your schedule. Payment will be due by January 31, 2012.** Please consider the following as they may impact your 2012 budget:

Annual Workers' Compensation Payroll Audit: MCIT will perform a reconciliation of 2011 contributions on a member-by-member basis in the first quarter of 2012. Based on actual 2011 payroll, this reconciliation could result in either a credit or an additional contribution. Past practice has typically provided that notice of the audit result is sent to each member in mid-2012; invoices for additional contribution to follow in December, 2012 and payment due within 45 days of the invoice date.

Annual Automobile Audit: MCIT will review the changes in each member's automobile exposures at the end of 2011. Depending on the results, the member may receive a credit or an additional charge. Past practice has typically provided that notice of the audit and invoice is sent in May or June, and payment due within 45 days of the invoice date.

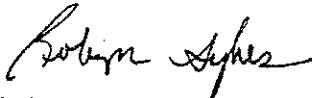
The 2012 actuarial analysis for MCIT Property/Casualty division supported an aggregate rate decrease of 11.0%. Members that experience an increase in their 2012 property/casualty contributions can attribute the increase to changes in their exposure base during the past year such as increases to the value of buildings, contents and property in the open. MCIT continued its practice of applying an index factor to buildings (+3.40%), contents (+1.00%) and property in the open (+1.00%) based upon Marshall Swift indicators and statistical data from the U.S. Department of Labor. This index factor is applied to maintain adequate replacement cost limits of coverage for your property.

The Hartford Steam Boiler Company, who underwrites MCIT's equipment breakdown coverage, maintained their rates at the 2011 level.

The 2012 actuarial analysis for the Workers' Compensation Division supported an aggregate rate decrease of 7.5% across all job classifications. Members' individual 2012 workers' compensation contributions will be determined in large part by changes in total payroll; the distribution of that payroll among class codes; and the claims incurred during calendar years 2008, 2009 and 2010, which were the loss years used to derive each member's 2012 experience modification factor.

Rates noted in this letter are aggregate adjustments. The actual impact on the cost of coverage for each member will be determined by that member's exposures, changes in those exposures and loss history.

Sincerely,
Minnesota Counties Intergovernmental Trust



Robyn Sykes
Executive Director

Enclosures

Minnesota Counties Intergovernmental Trust
Estimated Contribution Notice
2012 Program Year
Region 4 South Adult Mental Health Consortium

Your estimated 2012 contributions for participation in the Minnesota Counties Intergovernmental Trust Property/Casualty and Workers Compensation Divisions are as follows:

Property/Casualty: \$5,564

Workers Compensation: \$1,753

This Estimated Contribution Notice is provided to assist you in the preparation of your 2012 budget.

This is not an invoice. This notice is an estimate of your 2012 annual contribution. No payment is needed at this time.

The estimated annual 2012 contribution indicated above is based upon reported exposures and conditions as of July 15, 2011. Changes made after this date may change the estimated contribution amounts indicated above. Invoices for your 2012 contribution will be sent in December 2011 with payment due by January 31, 2012.

MINNESOTA COUNTIES INTERGOVERNMENTAL TRUST

Liability Schedule for Region 4 South Adult Mental Health Consortium

as of 1/1/2012

Region 4 South Adult Mental Health Consortium
PO Box 222
Elbow Lake, MN 56531

Minnesota Counties Intergovernmental Trust
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Document #: PC716012

Effective From: 1/1/2012 to 1/1/2013

Description

COMMERCIAL GENERAL LIABILITY

LIMITS

OTHER COVERAGES/RESTRICTIONS/, AND/OR ENDORSEMENTS

	PER CLAIMANT	PER OCCURRENCE	
GENERAL LIABILITY	\$500,000	\$1,500,000	
PUBLIC EMPLOYEES LIAB	\$500,000	\$1,500,000	Retro Date 04/09/2010

DEDUCTIBLES

GENERAL LIABILITY PER OCC	\$1,000
PUBLIC EMPLOYEES LIAB PER OCC	\$2,500

LIMITS

FIRE DAMAGE (ANY 1 FIRE)	\$100,000
MED EXP (ANY 1 PERSON)	\$2,500

BUSINESS AUTO

LIMITS

LIABILITY

	PER CLAIMANT	PER OCCURRENCE	DEDUCTIBLE
BODILY INJURY	\$500,000	\$1,500,000	
UNINSURED MOTORISTS			
UNDERINSURED MOTORISTS			
HIRED/BORROWED AUTO LIABILITY	\$500,000	\$1,500,000	

MINNESOTA COUNTIES INTERGOVERNMENTAL TRUST
Schedule of Bond Coverages for
Region 4 South Adult Mental Health Consortium
as of 1/1/2012

Region 4 South Adult Mental Health Consortium PO Box 222 Elbow Lake, MN 56531	Minnesota Counties Intergovernmental Trust 100 Empire Drive Suite 100 Saint Paul, MN 55103-1885
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Document #: PC716012

Effective From: 1/1/2012 to 1/1/2013

Description	Limit	Deductible
Employee Dishonesty & Faithful Performance of Duty Blanket Limit	\$50,000	\$0

If you have purchased through MCIT any Employee Dishonesty and Faithful Performance of Duty Coverage in excess of that provided by this Coverage Document; Forgery or Alteration Coverage; or Credit, Debit or Charge Card Forgery Coverage, you have been issued an Old Republic Surety Company Crime Policy. Please refer to the Old Republic Policy for terms and conditions of such coverage.

Minnesota Counties Intergovernmental Trust
Property Schedule for
Region 4 South Adult Mental Health Consortium
as of 1/1/2012

Region 4 South Adult Mental Health Consortium PO Box 222 Elbow Lake, MN 56531	Minnesota Counties Intergovernmental Trust 100 Empire Drive Suite 100 Saint Paul, MN 55103-1885
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Effective From: 1/1/2012 to 1/1/2013

	Limit	Deductible	Valuation
Extra Expense	\$5,000	\$1,000	
Valuable Papers	\$5,000	\$1,000	

Location #1: 32 Central Avenue, Suite 7 & 8, Elbow Lake, MN 56531

Building 1 - Office

Contents	\$5,050	\$1,000	Replacement Cost
Dept:			

Location #2: 1103 Broadway, Suite 101, Alexandria, MN 56308

Building 1 - Clinic

Contents	\$9,090	\$1,000	Replacement Cost
Dept:			

Information on this 2012
Schedule of Coverages is as
of July 15, 2011, the rating
date for your 2012 renewal.

Minnesota Counties Intergovernmental Trust
Inland Marine Schedule for
Region 4 South Adult Mental Health Consortium
as of 1/1/2012

Region 4 South Adult Mental Health Consortium
PO Box 222
Elbow Lake, MN 56531

Minnesota Counties Intergovernmental Trust
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Effective From: 1/1/2012 to 1/1/2013

Sch #	Description	Limit	Deductible	Valuation
EDP				
1	EDP Blanket Limit	\$65,000	\$1,000	Replacement Cost
<i>Dept:</i>		<i>Unit #: N/A</i>		<i>Serial #: N/A</i>

Additional Inland Marine Coverages

Minnesota Counties Intergovernmental Trust
Crime Schedule for
Region 4 South Adult Mental Health Consortium
as of 1/1/2012

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Document #: PC716012

Effective From: 1/1/2012 to 1/1/2013

Description	Limit	Deductible
Money/Securities In	\$100,000	\$1,000
Money/Securities Out	\$100,000	\$1,000

Additional Crime Coverages