



Baldwin County Commission

Legislation Text

File #: 18-0954, **Version:** 1

Meeting Type: BCC Work Session

Meeting Date: 9/25/2018

Item Status: New

From: Kimberly Creech, Clerk/Treasurer

Submitted by: Kimberly Creech, Clerk/Treasurer

ITEM TITLE

Association of County Commissions of Alabama (ACCA) Workers' Compensation Longevity Bonus

STAFF RECOMMENDATION

Related to the Association of County Commissions of Alabama Workers' Compensation Self-Insurance Fund (ACCA WCSIF) member Longevity Bonus, take the following actions:

- 1) Adopt and authorize the Chairman to execute Resolution #2019-009, the 2021 Workers' Compensation Longevity Bonus, the Baldwin County Commission must elect to continue its participation in the Fund through at least Sept 30, 2021; and
- 2) Authorize the Chairman to execute any related correspondence and/or instruments.

BACKGROUND INFORMATION

Previous Commission action/date: N/A

Background: Each year the Board of Trustees of the ACCA Workers' Compensation Self-Insurers Fund evaluates the overall financial condition of the program and considers a refund of investment earning to each participant.

In addition, the trustees also approved a one-time program that provides eligible county Fund members with the ability to receive an additional refund equal to 15 percent of this year's estimated premium contribution. This one-time program is further evidence of the Fund's financial strength and commitment to providing the most cost-effective service to Alabama Counties.

To be eligible for what is called the 2021 Longevity Bonus, a county commission must elect to continue its participation in the Workers' Comp Fund through at least September 30, 2021. All counties participate in the workers' comp program through a one-year contract that automatically renews unless cancelled by the county within time frames set-out by the contract. The 2021 Longevity Bonus program will not void or repeal this contract, but will only be a commitment not to

exercise your ability to withdraw for a least the next three years.

By agreeing to be a participant for a least the next three years, counties are expressing their long-term commitment to the program and, in exchange, the trustees are providing a return of a portion of this year's estimated premium-contribution as evidence of their commitment to provide further improvements in the next three years.

Counties adopting and returning the resolution to ACCA prior to November 1, 2018 will be eligible for the one-time distribution. The payments will be made following the remittance of premium-contributions by all county workers' comp fund members. The payment is anticipated to be early in 2019.

Baldwin County Commission estimated one-time bonus \$108,924.00.

Baldwin County Sheriff Department estimated one-time bonus \$88,750.00.

The ACCA General Liability Fund paid Baldwin County Commission longevity bonuses the following:

FY2011 \$86,261.00

FY2014 \$193,233.48

FY2017 \$139,514.25

FINANCIAL IMPACT

Total cost of recommendation: N/A

Budget line item(s) to be used: N/A

If this is not a budgeted expenditure, does the recommendation create a need for funding?
N/A

LEGAL IMPACT

Is legal review necessary for this staff recommendation and related documents?
Yes

Reviewed/approved by: N/A

Additional comments: N/A

ADVERTISING REQUIREMENTS

Is advertising required for this recommendation? N/A

If the proof of publication affidavit is not attached, list the reason: N/A

FOLLOW UP IMPLEMENTATION

For time-sensitive follow up, select deadline date for follow up: Yes. Must be adopted and returned to ACCA WCSIF prior to November 1, 2018.

Individual(s) responsible for follow up: Administration and Clerk/Treasurer

Action required (list contact persons/addresses if documents are to be mailed or emailed):

ACCA WCSIF

104 N. Jackson Street, Montgomery, AL 36104

Additional instructions/notes: N/A