

RESOLUTION NO.: 151—2017-18

TO THE HONORABLE, THE OUTAGAMIE COUNTY BOARD OF SUPERVISORS

LADIES AND GENTLEMEN:

MAJORITY

1 The Wisconsin Worker's Compensation Act provides that employers covered by the
2 ACT either insure their liability with worker's compensation insurance carriers
3 authorized to do business in Wisconsin, or to be exempted (self-insured) from insuring
4 liabilities with a carrier and thereby assuming the responsibility for its own worker's
5 compensation risk and payment. Outagamie County is a qualified political subdivision of
6 the State of Wisconsin, and as such may self-insure worker's compensation without a
7 special order from the Department of Workforce Development (Department) if they agree
8 to report faithfully, all compensable injuries and agree to comply with the ACT and rules
9 of the Department. The Finance Committee approves of the continuation of the self-
10 insured worker's compensation program.

11
12 NOW THEREFORE, the undersigned members of the Finance Committee recommend adoption
13 of the following resolution.

14 BE IT RESOLVED, that the Outagamie County Board of Supervisors does approve and
15 authorize the continuation of a self-insured worker's compensation program that is currently in effect
16 and in compliance with Wisconsin Administrative Code DWD 80.60(3), and

17 BE IT FINALLY RESOLVED, that the Outagamie County Clerk be directed to forward a copy
18 of this resolution to the Outagamie County Executive, the Outagamie County Finance Director, the
19 Outagamie County Risk Administrator, and Michael D. Tomsyck, Department of Workforce
20 Development - Worker's Compensation Division, 201 East Washington Avenue, Room C100, Madison,
21 WI 53703-2866.

22 Dated this ____ day of March 2018

23 Respectfully Submitted,
24 FINANCE COMMITTEE

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29 _____
Kevin Sturn

Peter Stueck

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Nadine Miller

James Pleuss

Chris Croatt

Duly and officially adopted by the County Board on: _____

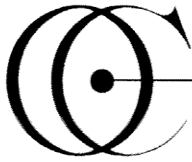
Signed: _____
Board Chairperson

County Clerk

Approved: _____

Vetoed: _____

Signed: _____
County Executive



OUTAGAMIE COUNTY


410 S. WALNUT ST. APPLETON, WISCONSIN 54911

ADMINISTRATION BUILDING

FINANCIAL SERVICES

PHONE (920) 832-1680

To: Thomas Nelson, County Executive &
Outagamie County Finance Committee

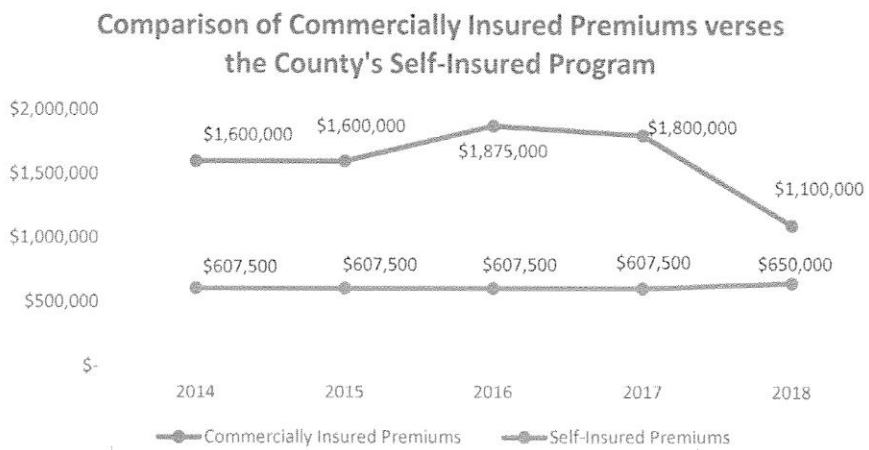
From: Brian Massey, Finance Director 
Outagamie County

Date: February 26, 2018

Re: Workers Compensation Program

Every three years, the County is required to pass a County Board resolution to determine if we want to continue with having a self-insured workers compensation program. We must send a copy of this approved resolution to the appropriate state agency that oversees the program. In my opinion, the County has saved millions of dollars over the years being self-insured for workers compensation versus buying commercial workers compensation insurance. Each year, we receive rates from the Wisconsin Compensation Rating Bureau by classes of employees (example, general employees, law enforcement employees etc.) that could be charged in the commercial market if we were not self-insured and if our workers compensation program experience modification factor had an "average" rating of one. (Note our current rating is .57). For the 2018 budget, our Workers Compensation broker has estimated that those commercial premiums could be approximately \$1.1 million dollars versus the \$650,000 that we actually charged our departments or a savings of approximately \$450,000 dollars. We have had those same similar amounts or more of annual savings for the past many years. Therefore, I highly recommend that we continue with our workers compensation self-insurance program.

Comparison of Commercially Insured Compensation Premiums with the County's Self-Insured Programs Premiums Charged to Departments



Please note that the above Commercially Insured Premiums are based upon information received from our Workers Compensation broker based on a 1.0 Experience Modification Factor (EMF). A 1.0 rating is for a company that has the "average" number and amount of workers compensation claims. The County's current EMF is .57 as we have had less than the average rating for claims meaning we have had fewer claims and costs than the "average" company. Therefore, the differences between the Actual Commercially insured premium and the county's actual premium would not be as high as the chart indicates. We do not have actual commercially insured premium estimates for our level of EMF of .57 as that would only be available if we actually completed a request for proposal for a commercial program. We have not done that due to the success of our self-insured program.