

Worker's compensation-county elected officials.

15LSO-0414, 1.1

FISCAL NOTE

| | FY 2016 | FY 2017 | FY 2018 |
|----------------------------------|----------------|----------------|----------------|
| NON-ADMINISTRATIVE IMPACT | | | |
| Anticipated Revenue increase | | | |
| INDUSTRIAL ACCIDENT FUND | \$250,835 | \$250,835 | \$250,835 |

| | FY 2016 | FY 2017 | FY 2018 |
|----------------------------------|----------------|----------------|----------------|
| NON-ADMINISTRATIVE IMPACT | | | |
| Anticipated Expenditure increase | | | |
| INDUSTRIAL ACCIDENT FUND | \$250,835 | \$250,835 | \$250,835 |

Source of revenue increase:

Increase in Worker's compensation premiums paid for coverage of county officers;

Source of expenditure increase:

Increase in Worker's compensation claims from coverage for county officials

Assumptions:

The above estimate is based on salary data provided by the by the Wyoming Association of County Officials (WACO) for 2015. This salary data shows a total statewide wage of \$11,050,003 for Wyoming county officers. The Department of workforce Services (DWS) estimates that county officers would pay premiums based on the county government general rate of 2.27%. The DWS does not project an increase in the base rate for the next three years at this time. DWS estimates a total additional premium of \$250,835 ($\$11,050,003 \times 2.27\% = 250,835$).

Per WACO, the county clerks, clerks of district court, assessors and treasurers, being positions of similar responsibility, are grouped together under the same pay grade. WACO noted that projections for future salaries beyond 2015 could not be accurately projected. Therefore, the DWS utilized the county officials' 2015 salaries for the purposes of this estimate.

DWS anticipates the cost of claims and medical/indemnity reserves will approximately equal the amount of increased premiums. The DWS actuarial analysis and review process supports the statutory requirement under W.S. 27-14-201(a) which states "The workers' compensation program shall be neither more nor less than self-supporting." W.S. 27-14-201(c) requires the same review for each class (industry). In summary, this means that each year, premiums and expenditures should be roughly equal (including administrative expenses). The actuarial process and review adjusts premiums each year to maintain this balance.

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