



City of Smyrna

2800 King Street
Smyrna, GA 30080
www.smyrnacity.com

Issue Sheet

File Number: 2016-511

Agenda Date: 12/19/2016

Version: 1

Status: Consent Agenda

In Control: City Council

File Type: Authorization

Agenda Number: D.

WARD: Ward

COMMITTEE: Human Resources

\$ IMPACT: \$313,642

Agenda Title:

Approval of renewal with Georgia Municipal Association for 2017 Worker's Compensation Insurance Coverage and Administration and authorize Mayor to sign any related documents

ISSUE:The city is required to carry WC insurance for its employees. This insurance coverage must be renewed annually with an effective date of January 1st of the upcoming calendar year.

BACKGROUND: The city is required to carry WC insurance for its employees. This insurance coverage must be renewed annually with an effective date of January 1st of the upcoming calendar year.

Currently the City is covered by GMA's program. Annually, GMA reviews the cost of incidents over a 3-year period. The 2017 premium is based on costs related to payroll and incidents between 2012-2015. For this period, the City experienced a decrease in incidents and costs (2nd year in a row), resulting in a reduction in the Experience Modification factor (.95 to .92). In contrast, during this same period, the City's payroll increased. The increase in payroll offset the decrease in modification factor, resulting in a slight increase in the annual premium (+\$4,761 over 2016 premium, the smallest increase the city has had in 5+ years). However, GMA has advised that dividends will once again be distributed early next year. While the actual amount is unknown at this time (due in Jan/Feb), it is expected to exceed the increase.

RECOMMENDATION/REQUESTED ACTION: Approval of renewal with Georgia Municipal Association for 2017 Worker's Compensation Insurance Coverage and Administration and authorize Mayor to sign any related documents

