

ON MOTION OF MR. CORNELL

**Adopt Local Law No. 1 for the year 2008
A Local Law Restating the Establishment
Of A Plan of Mutual Self-Insurance For
Worker's Compensation As Authorized By
Article 5 of The New York State Workers'
Compensation Law; Participation; Rules
And Regulations And Apportionment**

WHEREAS, Cortland County adopted Local Law No. 1 of 1956 establishing a plan of self insurance as provided for under Article 5 of the New York State Workers' Compensation Law, AND

WHEREAS, various amendments to the original law have occurred over the past 52 years resulting in some inconsistencies in language, AND

WHEREAS, the Cortland County Legislature wishes to codify these changes and provide for a limit on the overall obligations of any one participating municipality based upon their ability to tax, NOW THEREFORE, BE IT

ENACTED, by the County Legislature of the County of Cortland, as follows:

Section 1. Created.

The plan of self-insurance previously created by Cortland County as provided for in Article 5 of the Workmen's Compensation Law is hereby continued as prescribed herein and shall be known from this point forward by the name of "Cortland County Self-Insured Workmen's Compensation Plan."

Section 2. Administered.

The plan of self-insurance hereby established shall be administered by the County Administrator and overseen by the applicable jurisdictional Legislative Committee.

Section 3. Participation in Plan.

The County of Cortland, City of Cortland, the Towns of Cortland County, and the Villages within Cortland County may participate in the plan hereby established, and are hereby continued as participating members in such plan.

A. The benefits and protection of this plan shall be and are hereby extended beyond those defined in Article I of the New York State Workers' Compensation Law to include all employees, officers and volunteers of Cortland County, elected or appointive not otherwise defined in Article I.

1. The extension of coverage and protection shall include said employees and officers of those participating municipal agencies which, by resolution of the municipal body, elect to cover and include said employees and officers of said agency under the provisions of the Workers' Compensation Law.

~~B. In accordance with Section 3 of the New York State Workers' Compensation Law,~~
Cortland County hereby extends the coverage of the plan to Civilian Defense volunteers who are duly enrolled and registered in the office of Fire and Emergency Management of Cortland County for disabilities incurred by Civilian Defense volunteers during authorized training and practice periods or periods of Declared Emergency.

1. The extension of coverage and protection shall include said Civilian Defense volunteers of those participating municipal agencies which, by resolution of the municipal body, elect to cover and include said Civilian Defense volunteers of said agency under the provisions of the Workers' Compensation Law.

Section 4. Withdrawal from Plan.

Any participant in the plan may withdraw therefrom at the beginning of the next ensuing calendar year by filing with the, Clerk of the County Legislature on or before the 15th day of July of any year, a certified copy of a resolution of its governing body electing to withdraw from the plan, upon condition that such participant shall pay, in a lump sum, its estimated share of the outstanding liabilities of the plan as of the date of withdrawal. The County Administrator, with the approval of the County Legislature may permit said payment to be made in installments.

Section 5. Plan Rules and Regulations.

Participants in the self-insurance plan hereby established shall be subject to the following standards, conditions, rules and regulations:

A. Participants shall cooperate fully with the County Administrator in the administration of the plan, and shall prepare and file with the County Administrator such reports and information as may, from time to time, be requested.

B. Reports of accidents shall be filed within three days from the time of the accident, or from the time notice thereof has come to the attention of a responsible official or supervisory employee of the participant.

B. Sixty percent (60%) of the total revenue for the plan shall be generated based upon claims history. Each participant's share shall be calculated by determining the participant's percentage of the average claims paid for the preceding three (3) years, which average claims paid shall be known as the "experience factor", and multiplying that percentage by the total amount of revenue to be generated.

The County Administrator shall notify each participant in writing, not later than September 1st, of the amount of such assessment and each participant shall pay the County Treasurer the amount so specified in such notice not later than 30 days after commencement of such participant's next fiscal year.

Section 7. Limits on Apportionment.

For the purposes of limiting the exposure to a participant for any extraordinary costs that may arise in a given year, participant's assessments shall be limited in accordance with the following schedule which is designed to limit the taxable impact of catastrophic claims on the participant. A participant shall be categorized by the municipality's taxable value. The participant's annual assessment shall be limited to the maximum established assessment for each category. Any and all assessments exceeding the maximum shall be added to the County's assessment. The maximum assessment and taxable value categories may be amended from time to time by the County Legislature by Resolution.

Total Taxable Value	Maximum Assessment
\$0 to \$ 25,000,000	\$ 12,500
\$ 25,000,001 to \$ 35,000,000	\$ 17,500
\$ 35,000,001 to \$ 45,000,000	\$ 22,500
\$ 45,000,001 to \$ 60,000,000	\$ 30,000
\$ 60,000,001 to \$ 90,000,000	\$ 45,000
\$ 90,000,001 to \$150,000,000	\$ 70,000
\$150,000,001 to \$250,000,000	\$112,500
\$250,000,001 to \$400,000,000	\$187,500
\$400,000,001 and above	\$225,000

Section 8. Reserve Established.

A self-insurance contributed reserve is hereby established for the Cortland County Self Insured Worker's Compensation Plan. The maximum which may be contributed to such reserve shall be Five Hundred Thousand Dollars (\$500,000). A separate line item is hereby established in the Worker's Compensation Fund operating budget for purposes of funding the reserve account until such time as the reserve fund totals \$500,000., the maximum allowed by this Law.

- C. Participants shall promptly furnish all pertinent information relative to any claim, and shall aid in the investigation of any claim.
- D. If required by the County Administrator, every new employee of a participant shall undergo a physical examination before undertaking any of the duties of his employment, except in the case of an emergency, in which event the participant employer shall arrange for such physical examination at the earliest possible time after the employee undertakes such duties. The expense of such physical examination shall be an expense of the plan and paid from the funds thereof.
- E. ~~Participants shall not knowingly employ any person having a permanent physical impairment, as defined by Section 15, Subdivision 8, of the Workmen's Compensation Law, without first requiring such person to furnish a medical report stating the nature and extent of such permanent physical impairment.~~
- F. Fines and penalties imposed on the plan for late filing of reports and forms shall be assessed against and paid by the participant if, in the opinion of the County Administrator, the delay is occasioned by the failure or fault of the participant.
- G. Participants shall take part in and enforce safety and accident prevention programs established by the County Legislature.
- H. Violation of any of the foregoing provisions of this section by any participant shall be punishable in the discretion of the County Administrator, by the imposition of a penalty, which shall not exceed \$500.00 for each violation, or by a majority vote of the County Legislature, expulsion from the plan.

Section 6. Apportionment.

Apportionment of costs shall be determined by taking the total amount to be assessed and applying the following formula:

- A. Forty percent (40%) of the total revenue for the plan shall be generated based upon assessed valuation. Each participant's share shall be calculated by determining the participant's percentage of full value assessment within the plan and multiplying that percentage of full value assessment by the total amount of revenue to be generated. The County's percentage of full value assessment shall include the full value assessment contained within municipalities not participating in this self-insurance plan.
1. When calculating the full value assessment of the towns of Cortlandville, Homer and Marathon, the village assessment within these towns shall be excluded.

Section 9. Stop Loss Insurance.

The County Administrator, subject to appropriation by the County Legislature, may purchase excess or catastrophe insurance, the cost of which shall be chargeable as an expense of the plan.

Section 10. Conflicts with Previous Laws; Severability of Provisions; Effective Date.

In the event of a conflict or inconsistency between this local law and any previous local laws or resolutions of the County Legislature, this local law shall govern.

If any clause, sentence, paragraph, subdivision, section or part of this local law shall be adjudged by any court of competent jurisdiction to be invalid, such judgment, decree, or order shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment, decree or order have been rendered.

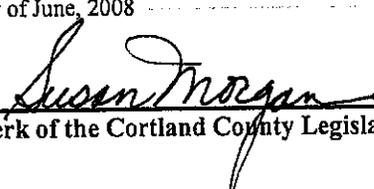
This local law shall take effect immediately.

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STATE OF NEW YORK) SS:
COUNTY OF CORTLAND)

This is to certify that I, the undersigned, Clerk of the Cortland County Legislature of the County of Cortland have compared the foregoing copy of with the original now on file in this office, and which was passed by the Cortland County Legislature of said County on the 26th day of June and that the same is a correct and true transcript of such original and of the whole thereof.

IN WITNESS WHEREOF I have hereunto set my hand and the official seal of the CORTLAND COUNTY LEGISLATURE, this 26th day of June, 2008


Clerk of the Cortland County Legislature