

# COMPCONTROL

## Why My City Chose KMIT

Our world seems to become more complicated every day. The same is true of local governance. Even knowing that, our constituents expect governments to do more with less. The public hates property taxes, and rebels at the mention of levy increases. Yet, gas is at all time highs, power is at all time highs, labor is at all time highs and benefits are at all time highs. That's where we work today.

In El Dorado, we are faced with those same challenges. One resource that helps us live within the goals and expectations of our communities is knowledgeable **partners**. They have many faces and wear an equal number of different hats. We look to architects and engineers to design buildings, water plants and roads. We look to legal council to ensure actions follow legal muster, and we look to the insurance professionals to help assess risk and methods to mitigate it.



**Herb Llewellyn**

In El Dorado, we have counted on the insurance professionals at the ICI Agency (based in El Dorado) for that expertise for over twenty-five years. As the industry has changed and evolved, ICI has kept **continued on page 7**

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## Special Thanks!

To Rose Hill City Administrator **Kathy Raney** and her staff (**Cindy Stone**, et al), who came to the rescue of the KMIT Board of Trustees when the February board meeting needed to be moved at a rather late date. Kathy and her folks not only found us a Great Place to gather—the very nice training room of the firehouse in Rose Hill (more properly, the **Butler County Fire District #3, Station #1**; [www.bcfcd3.com/stations](http://www.bcfcd3.com/stations)), but also made sure our group had more than enough tasty pastries, coffee, milk and juice to start the meeting, and secured a scrumptious soup/sandwich lunch—arranged through local restaurant/caterer par excellence, **Quigley's Sports Bar & Grill**. You're the best, Kathy... THANKS!

PS... Rose Hill has been a KMIT member-city since April 1, 1994 (which makes it a 'Charter' [first-year] Member).

Bobby Busch - President  
Neodesha

Daron Hall - Vice President  
Ulysses

Larry Paine - Treasurer  
Hillsboro

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Clay Center      Hays

Doug Gerber      Herb Llewellyn  
Goodland      El Dorado

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Peabody      Roeland Park

Lana McPherson      Sasha Stiles  
De Soto      Andover

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Ex-Officio

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Pool Administrator/Agent/Editor

Marla Dipman & Gene Miller  
Claims Adjusters, IMA

Renee Rhodes  
Risk Control Consultant, IMA

Paul Davis  
Vice President, Risk Management  
IMA

Deanna Furman  
Design Editor  
Office Administrator/Agent

CompControl/City Safe are publications of the League of Kansas Municipalities and the Kansas Municipal Insurance Trust for the purpose of educating and informing cities about loss control methods and risk management. If you have any questions concerning KMIT workers' compensation or risk management that you would like to see answered in this newsletter, please direct those inquiries to:

Kansas Municipal Insurance Trust  
300 SW 8th Avenue  
Topeka, KS 66603  
Phone: (785) 354-9565  
Fax: (785) 354-4186  
[dfurman@lkm.org](mailto:dfurman@lkm.org)

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## Certificate of Insurance REQUIRED!

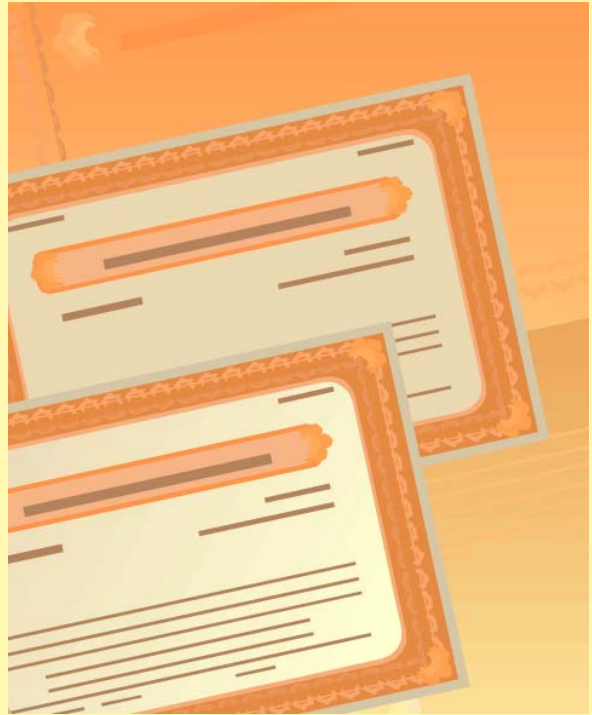
As those of you who work with the KMIT payroll auditors (from **The Audit Store**) probably know by now, your auditor will be asking you to provide a **proof of work comp insurance certificate** for all sub-contractors doing work for your city (most of whom receive IRS 1099 earning statements).

AND, if your city does not have a certificate (from each and every sub-contractor) of such coverage on file, you will likely be asked to submit the amount paid to the sub-contractor as wages paid on your payroll audit, and that WILL affect how much you pay for work comp.

Further, though state law does not *require* self-employed sub-contractors, or those with a payroll under \$20,000, to carry their own work comp, it does not relieve the city from the responsibility of a comp claim—and paying additional premium for that risk exposure goes with that obligation.

**Bottom line:** your city should INSIST upon each sub-contractor providing you with a copy of a certificate, which proves that they have current work comp coverage on all of their employees who are doing work on behalf of the city. IF your city chooses to hire a sub-contractor who cannot provide such proof, the payroll auditor will be adding the sub-contract fee to your payroll during the process of the next annual audit.

KDOL provides a helpful link on its site, to be able to check to see if a prospective sub-contractor has work comp insurance: <http://www.dol.ks.gov/wc/coververifi.html> .



# Volunteers and Work Comp

Most small-to-medium sized cities in Kansas use volunteers. The overwhelming use of volunteers by cities is for emergency services—Fire, EMS, ‘First Responders’ and Police. And, it would be difficult to imagine being able to adequately provide emergency services without volunteers.

Under Kansas law, **ALL emergency services** personnel **MUST** be covered by workers compensation insurance, **including volunteers**. Cities **do not** have to fill out any kind of special state form for work comp for emergency volunteers (except, of course, that such volunteers must be listed on the renewal application for KMIT each year, by number per position, etc.).

However, volunteers other than emergency services personnel are **NOT REQUIRED** to be covered for work comp.

Cities may ‘elect’ to cover non-emergency volunteers. And, while KMIT does not recommend providing workers compensation coverage for non-emergency volunteers, **there is a specific mechanism for doing so**, and that procedure is determined by regulation of the Kansas Department of Labor (KDOL), Division of Workers Compensation (DWC).

IF your city wishes to ‘elect’ to provide workers compensation insurance for non-emergency workers, it must submit a form to the KDOL-DWC, indicating which position(s) is(are) to be covered. That form, K-WC 123, is available on the KDOL website (at [www.dol.ks.gov/WC/frmpub.html](http://www.dol.ks.gov/WC/frmpub.html)), and can also be downloaded from the KMIT website, [www.kmit.net](http://www.kmit.net).

Providing work comp coverage for volunteers is not free to cities, and there will be a cost involved for the insurance. Hours worked must also be tracked for services provided by all non-emergency workers (as well as for emergency volunteers who are paid per/hour for their services). KMIT staff will happily assist member cities with questions about filing, and/or cancelling existing, volunteer ‘elections’.

Keeping track of which cities have, over the years, ‘elected’ to cover some volunteers can be a daunting task. The ‘elections’ submitted are PERMANENT, unless and until they are cancelled by direct action of the city. To that end, KMIT will be doing a review of all ‘elections’, that it has awareness of, late in the Spring of 2011. If your city has one or more such ‘elections’ on file, you will likely hear from KMIT, as staff pursues updating of KMIT’s (and the KDOL-DWC’s) list.

Please contact Pool Administrator Don Osenbaugh ([dosenbaugh@lkm.org](mailto:dosenbaugh@lkm.org) or 316-259-3847), if you have any questions about work comp coverage for volunteers.

**VOLUNTEERS**

# NEWS & NOTES

## Debra Mootz is Newest KMIT Trustee



Debra Mootz

Roeland Park Finance Director/City Clerk **Debra Mootz** was named to the KMIT Board of Trustees by President Bobby Busch, at the Board meeting in El Dorado, in December.

Debra replaces Steve Archer on the Board, following Steve's recent resignation from his position as city manager in Arkansas City.

Debra has been with the **City of Roeland Park** since 1997. She was hired as an Administrative Assistant, and was later promoted to Assistant to the City Clerk. In December 2007, she became the Finance Director/City Clerk. Debra attended Franklin University, obtaining her Bachelor of Science in Accounting in August 2008.

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## Supervisor Training 2011 Concludes

The 2011 version of the **KMIT Supervisor Training Tour** came to a successful conclusion in Larned on March 10.



This annual event, which generally includes afternoon stops in four different KMIT cities every year, also featured 2011 sessions in **Marysville** and **Clearwater** (one seminar was cancelled due to unforeseen circumstances), and attracted a total of 92 city folks from 26 different cities.

KMIT will be moving the locations next year (early 2012), and will endeavor to provide opportunities for work-comp-specific education in four different sub-regions of the state (Kansas is a BIG place!). If your city is interested in hosting a seminar in 2012, please contact Pool Administrator Don Osenbaugh, and we will try to fit you in (if not next year, then maybe the next).



# City Safe

Spring 2011

## Safety Alert - Helpful Hints For You

by Renee Rhodes

### Safety Question From A KMIT City:

*We've had two work comp claims within the same week from employees who slipped off the back of the truck. Luckily both were minor, at least at this time. Do you have any recommendations regarding safety while standing on the back of a trash truck?*

### Answer:

There are a couple of things I would definitely look into more closely. Did you or your safety committee perform an accident review following the incidents?

I would recommend establishing a footwear policy to ensure employees are wearing appropriate footwear. A work boot is definitely what I would recommend in the sanitation department, based on the hazards they work around on a daily basis. Additionally, I would also look into the weather conditions at the time of both incidents.

When sanitation employees are standing on the step and riding on the truck, the step can get snow packed or icy in inclement weather which increases the potential of slipping off the step. These are just a few things I would look into that might help control some of the hazards.

One last thought – it is always a good idea to have a policy in place that prohibits employees from using cell phones while operating vehicles and/or equipment. Cell phone usage creates distractions that increase chances of work-related injuries.



**Renee Rhodes**  
**Risk Control Consultant, IMA**

### Safety Question From A KMIT City:

*If an employee reports an injury that the city feels is not work-related, do we have to turn in a First Report of Injury Form to KMIT?*

### Answer:

Yes, it is the employer's responsibility to turn in the First Report of Injury Form within 28 days of notification according to Kansas Statute and report the injury to the city's assigned KMIT Claims Adjuster.



After an investigation by the KMIT Claims Adjuster, a determination will be made as to work-relatedness. Forms can be found at [www.kmit.net](http://www.kmit.net) in the Document Center.

# Seasonal Safety Training Videos

## Don't Delay - Order Today!

Videos Offered in the IMA Safety Video Library

*Heading into spring, many cities are starting to trim trees and clean winter debris. The video described below on Bucket Truck Safety is a must see for employees utilizing this type of equipment.*



### Bucket Truck Safety

Bucket trucks are essential vehicles when safely doing work at heights is necessary. This safety training video is a must see for anyone that either works in a bucket truck, or utilizes this equipment for working safely in public works or utilities. This bucket truck safety training video covers fall protection training, work site inspections, tip-over prevention and electrical hazards dealing with bucket truck equipment. The information contained in this video is also applicable to scissor lift safety and aerial work platform safety.

*Gearing up to hire seasonal and part-time employees for the spring and summer? The Newcomers is a great eye-opener on hazards in many departments that are commonly overlooked, and most often don't get covered when training new hires.*

### The Newcomers

This riveting program follows five employees as they go through a busy day at work. Viewers then keep track of safety no-no's, watch the consequences and get shocked by the sobering twist at the end!

*The Newcomers gives employees an eye-opening look at hazard recognition.*

Teach your employees:

- ✓ **To ask questions about the job**
- ✓ **That simple tasks can carry deadly risks**
- ✓ **That their actions may affect others**
- ✓ **The importance of looking out for their fellow workers**

To order these and many other videos to complement your employee safety training, contact Kristi McCosh with IMA, (316) 266-6297 or email [Kristi.mccosh@imacorp.com](mailto:Kristi.mccosh@imacorp.com)

For a complete video library listing, go to [KMIT.net](http://KMIT.net) and click on the document center (top right corner) then click on IMA Safety Video Library.



# KMIT Injury Stats 2011 as of February 28, 2011

<u>Department</u>	<u># Injuries</u>	<u>Cost</u>	<u>Department</u>	<u># Injuries</u>	<u>Cost</u>
Administration	2	\$2,600	Miscellaneous	1	\$0
Airport	1	\$1,300	Park	3	\$4,350
Electric	5	\$20,300	Police	16	\$22,250
Emergency	2	\$2,600	Sanitation	3	\$3,900
Fire	6	\$28,461	Street	7	\$15,600
Health	1	\$3,750	<u>Water</u>	9	<u>\$13,200</u>
Maintenance	3	\$2,600	<b>TOTAL</b>	<b>59</b>	<b>\$120,911</b>

## Calendar of Events

### April 2011

4-10 National Public Health Week  
 29 KMIT Board of Trustees Meeting, *Neodesha*

### May 2011

1-7 North American Occupational Safety & Health Week  
 18 National Employee Health & Fitness Day  
 27 Heat Safety Awareness Day

### June 2011

15 Summer Edition - CompControl/City Safe  
 30 KMIT Board of Trustees Meeting, *Andover*

### July 2011

1-31 Ultraviolet Safety Month

### August 2011

26 KMIT Board of Trustees Meeting, *Goodland*  
 1-31 National Immunization Awareness Month

## KMIT Balance Sheet as of December 31, 2010

### Assets

Checking and Savings	\$2,712,924
Investments	\$8,000,000
A/R net of reserve	\$3,696,671
Premium Receivable (net)	-
Specific Receivable	\$40,991
Aggregate Recoverable	\$131,913
Accrued Interest Income	\$58,574
Prepaid Expenses	\$35,562
<b>Total Assets</b>	<b>\$14,676,635</b>

### Liabilities & Equity

Accounts Payable	\$19,297
Excess Insurance Payable	-
Reserve for Losses	\$3,135,496
Specific Recoverable	\$(469,505)
IBNR Reserved	\$3,344,532
Accrued Taxes, Licenses & Fees	\$431,832
Deposits on Premium	\$4,655,670
Deposits on Premium Return	-
<b>Total Liabilities</b>	<b>\$11,117,322</b>

**Total Equity (NET WORTH) \$3,559,403**

# Seasonal Employees

It's that time of year again—time to start hiring (or planning to hire) **seasonal** ('temporary', 'summer', 'youth', etc.) **employees**. And, therefore, again time for KMIT's annual reminder about some of the things to think about when hiring seasonal workers.



Many (most) of our KMIT member-cities use seasonal help, especially in the late spring and summer, when there is a LOT of work to do outdoors. Tasks such as summer mowing/trimming and recreational supervision (lifeguards, etc.) are typically assigned, in large part, to temporary workers.

Most often, many of these seasonal employees are young people. Though some may be 'veterans' from past summers; some (many? most?) are new to employment of any kind.

Since the vast majority of seasonal employees are younger, they are not typically well-trained, nor do they come 'pre-packaged' with built-in safety awareness. And, even very 'smart' young people are universally not very experienced, nor do they possess the wisdom that generally comes only with age.

Some tips that we have opined before:

1. **Use people who have worked for you before...** IF they are good, that is. **Experience is** (generally speaking) **a good thing**. Give the good ones more money each year, as an incentive to come back.
2. **TRAIN, TRAIN, TRAIN... and even RE-TRAIN** those who have worked in previous summers.
3. **Totally familiarize them** with all the procedures associated with anything and everything they will be doing... in a very **specific** way.
4. **LIMIT the types of jobs** you expect seasonal employees to do, and focus on training them to do those limited tasks, rather than developing them for the long-term, as you would permanent employees.
5. **SUPERVISE**. Young people need more supervision than you might think they do... or that they want. Check in with them regularly. Give them a phone or radio to contact you if they have a question or need help. **ASSURE** them that it's **OK to ask for your help or advice...** and **MEAN** it.
6. **Stress SAFETY**. Make sure they understand that there is **NOTHING** more important than for them to be **SAFE** from injury. Their moms will thank you.
7. **NEVER ASSUME** that seasonal workers understand what more-experienced hands understand. Even mowing and trimming can be done the wrong way; and, just because they appear to know how to operate the equipment does not necessarily mean that they know how to operate it correctly and SAFELY.



## ...Seasonal

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8. **Treat seasonal employees with respect and fairness.** Sometimes seasonal employees aren't show the respect all employees deserve, and sometimes they respond accordingly. You should expect them to respect and honor the job they have been given to do, but that starts with your treatment of them.

A great video for training seasonal employees about safety is available through the KMIT/IMA video library. **'Safety Awareness for Seasonal Employees'** can be borrowed (no charge) by contacting Kristi McCosh (IMA) at [kristi.mccosh@imacorp.com](mailto:kristi.mccosh@imacorp.com) or 316-266-6297 or 800-333-8913.

## ...El Dorado Chose KMIT

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up, and made sure that the city is prepared to meet the challenges. They make recommendations to us about how to best move forward. Beginning in 2003, El Dorado experienced a series of severe employee injuries. In every case, a member of the City staff was the victim—in one case, a motorist rear-ended a patrolmen's car; in a second accident, a commercial truck ran a red light and hit a City pick up; in a third case, a car ran a stop sign and hit a trash truck.

All accidents resulted in severe injuries to staff. As we worked through the recovery, we asked questions of the private insurance carrier. While our local agent was always supportive, the carrier became less inclined. I believe the City had a right to understand how a claim was being processed. I believe the City had an obligation to the citizens to ensure that responsible parties paid for their inattention. Our private work comp carrier did not have the same level of commitment that we had. At one point, we asked about subrogation (i.e., seeking reimbursement from the responsible parties), and were told by the carrier that it was none of our business.

After that comment, ICI and the City began looking for other opportunities in earnest. After lengthy discussions with the Pool Administrator, we came to believe that KMIT wouldn't take the approach that what occurred on our claims was "none of our business". KMIT wanted to be another City **partner**, not merely an insurance option. Their goal was to ensure we had the tools to keep our staff safe and healthy. That goal was already our goal.

For the two years that we have been a member, our expectations have been realized. **KMIT is our partner.** They have worked with us to keep staff safe. We have tools we didn't have before, and are encouraged to keep safety at the forefront of our endeavors. This has resulted in minimal accident occurrence. While another severe accident will happen, the work we are asked to do is very hazardous, we will be better prepared to handle it, and we know that KMIT and ICI will be there to help us through it.

**Herb Llewellyn is the City Manager for the City of El Dorado, and a member of the KMIT Board of Trustees.**

# How Is My City's 'Mod' Figured?

This is a question that we get often at KMIT. Frankly, it's 'just a bit' complicated.

KMIT does not do the 'mod' calculations. However, KMIT does submit the data to NCCI for the purpose of obtaining a 'mod' for each member city, and that process is repeated every year.

As are most states, Kansas is a part of the rating system of **NCCI (the National Council on Compensation Insurance, [www.ncci.com](http://www.ncci.com))**, and NCCI develops the **Experience Modifier** ('Mod') rate for each city (and, in fact, for all governmental entities and for every private business) in Kansas, whether or not they are in the KMIT pool. NCCI ratings are required by state law, and are **mandatory**.

NCCI has put together a good, short (23 minutes) **webinar**, which explains the 'Basics of Experience Rating'. The program can be viewed at <http://websrvr92va.audiovideoweb.com/va92web25048/ExpRatingBasics/ExpRating16.html> .



## Kansas Municipal Insurance Trust

300 SW 8th Avenue  
Topeka, KS 66603



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