

A special meeting of the Town Board of the Town of Homer to discuss workers' compensation insurance held on Tuesday, July 23, 2019, in the board room of the Town Hall was called to order by Supervisor Frederick J. Forbes, Sr., at 6:30 p.m.

PRESENT

Frederick J. Forbes, Sr., Supervisor
Michael R. Park, Councilman
Barry A. Warren, Councilman
Kevin M. Williams, Councilman
Patrick M. Snyder, Attorney for the Town
Anita W. Jebbett, Town Clerk

ABSENT

Larry R. Jones, Councilman

OTHERS PRESENT

Kevin Fitch, Supervisor, Town of Scott
Pat Clune, Trustee, Village of Homer
Jeremy Boylan, Director of Marketing, Bailey Place Insurance

PLEDGE OF ALLEGIANCE

Supervisor Forbes led the discussion about workers' compensation insurance. Currently all municipalities in the County (except the Village of Homer) are covered for workers' compensation insurance through the County's Self-Insurance Fund.

Forbes said that over the past few years the supervisors and mayors have tried to work with the County to address problems with how the policy is administered and funded. Due to many issues with the County's bookkeeping, they have not been able to provide accurate information on the fund balance or a total number of claims. Problems with inconsistent administration due to the turnover of elected officials has also been an issue. At the present time, the County seems to be unwilling or unable to address any of these issues.

The cost of the plan for each municipality is based 40% on their total assessed value and 60% on claims. While this worked well when the Fund was first established in the late 1950's, Forbes explained that other workers' comp carriers base their costs on payroll and an experience rating.

The Board discussed the current cost of the coverage, the cost if the City of Cortland leaves the Fund, and the quotes received from PERMA and Comp Alliance. If the City and other municipalities leave as the Village has done, the cost of the County plan will increase for those remaining.

Councilman Park said that at this time he has no confidence in the County because they have not been able to furnish any details about their costs, the value of any reserves or the number of claims.

Councilman Williams said that he agrees with Park after attending several meetings with the County to discuss workers' comp. He is concerned that the County does not have enough reserves to cover the claims. He said that the Town board is considering not only the Town taxpayers but also the County taxpayers.

Boylan reminded the Board that if they have any active claims with the County, the Town would have to take the claims with them and pay out-of-pocket. Also, he said that an old closed-out claim could theoretically be re-opened and would not be covered by a new insurance carrier. In response to a question from Councilman Park, Boylan will be checking to see if there is any short-term coverage in the event that there is a claim before the end of the year.

Trustee Clune explained why the Village left the County-run plan. He said that they were not given any information on their claims, or their share of any reserves, and wanted more control over their comp insurance.

Supervisor Fitch said that the Town of Scott's annual premium was increased by the County 12-14% each year with no explanation. He likes the stability of a carrier like Comp Alliance who would give them more control and who also offers a safety program.

On motion by Councilman Williams, seconded by Councilman Park and carried, Williams, Park, Warren and Forbes voting in the affirmative: RESOLVED:

Whereas, the Town of Homer participates in Cortland County's Plan of Mutual Self-Insurance for Workers' Compensation, and

Whereas, the Plan is regulated pursuant to Cortland County Local Law No. 9 of 2016, and

Whereas, the Local Law establishes a procedure for withdrawal from the Plan which requires that the Town file with the Clerk of the County Legislature a certified copy of a resolution electing to withdraw from the Plan, and

Whereas, the certified copy of the resolution to withdraw must be filed on or before July 31st of any year, and

Whereas, the Town of Homer does not wish to be bound to another year of participation in the Plan under the present circumstances, NOW THEREFORE, IT IS HEREBY

RESOLVED, that the Town of Homer elects to withdraw from the Plan, and it is further

RESOLVED, that nothing herein shall bind the Town of Homer to the selection of any particular alternative Plan, and it is further

RESOLVED, that nothing herein shall prevent the Town from entering into a plan with the County in the future if the Town determines that it is feasible and in the best interests of the Town of Homer.

Town Hall Office Renovation – Supervisor Forbes discussed options for blinds and the Assessor's office's request for lateral files. He asked Councilman Warren to work with the Town Clerk on both issues.

The meeting was adjourned at 7:30 p.m.

Anita W. Jebbett
Town Clerk