

# FundScripts

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## SAFETY SEMINAR

On **December 3, 2012**, J.V. Resources, Inc., the Fund's third-party loss control provider, will hold a quarterly safety seminar from 1:00 P.M. to 3:00 P.M. in Somerset. The seminar will take place at: **Rocky Hollow Recreation Center, 142 South Central Avenue, Somerset, KY 42501.**

Various topics of interest will be reviewed. In addition to planned topics, attendees may request additional topics in advance when they register. There is no charge for the seminar, however, space is limited to 70 individuals, so enroll early to ensure a place. To register, contact J.V. Resources, Inc. at (502) 245-8485 on or before November 30, 2012.

## MONEY, MONEY, MONEY

### \$15.5 MILLION IN DIVIDENDS BEING RETURNED

At its regularly held Board Meeting on October 30, 2012, the Kentucky AGC/SIF Board of Trustees approved the release of \$15,455,237 in dividends and \$1,004,590 in Special Fund taxes to be paid in March of 2013. This payment marks the 19th consecutive year that the Kentucky AGC/SIF has returned premium dollars to its members.

After the dividends and Special Fund taxes are released in March of 2013, the total dividends and taxes that have been returned to Fund members since 1994 will be over \$130 MILLION DOLLARS!

In March of 2013, dividends will be released that represent a 35% return of total premiums paid in for the 2008 Fund year as of October 31, 2012.

What are the chances that your company will receive a dividend? Historically, 94-95% of members have qualified for a dividend check. As of October 31, 2012, 97% of members who were in the Fund in 2008, and who remain in the Fund, are eligible for a 2013 dividend check. Here is how your company can qualify:

- ◆ Have been a member in the year for which the dividend is being paid (2008 year)
- ◆ Have a Loss Ratio of less than 100% for the year in which the dividend is being paid (2008)
- ◆ Be a CURRENT member at the time of the dividend payment (March of 2013)
- ◆ Be current in all payment obligations to the Fund and its participating Trade Associations

Now available on the Fund's website ([www.kyagcsif.com](http://www.kyagcsif.com)), members and agents can access **ESTIMATED** dividend returns that will be issued in March of 2013. Registered users can log in, go to the reports menu and select "Estimated Dividend Report". If you are not currently a registered user, simply go to the website homepage and click on "Need to signup?" in the upper right hand corner.

If you have any question whether your company may be eligible for a dividend payment in 2013, please contact the Fund Office at (800) 928-7135.

## DECLARATION OF EFFICIENCY

### DIVIDEND DECLARED FOR THE 2012 YEAR

At its regularly held Board Meeting on October 30, 2012, the Kentucky AGC/SIF Board of Trustees declared a dividend of \$9,300,000. This declaration will bring the total dividend pool (available for future payments to Fund members) to over \$44.7 million. If you have any questions regarding the dividend declaration, please contact the Fund Office at (800) 928-7135.



# CELEBRATE GOOD TIMES, C'MON!

On October 29th, 2012, the Kentucky AGC/SIF's Board of Trustees, its Association Executives and its Administration came together to pay tribute to its 2011 top producing Agencies at its 15th Annual Agents' Awards Ceremony. The three categories in which awards were presented included: CRYSTAL, GOLD and SILVER.

## Crystal Category

Crystal Awards were presented to those agencies which produced **\$2 million** (or more) in premium for the 2011 year. Those agencies and their representatives receiving Crystal Awards were:

- ◆ **Neace Lukens** — Represented by Mr. Terry Gordon
- ◆ **Van Meter Insurance** — Represented by Mr. Keith Hopgood
- ◆ **Wells Fargo Insurance** — Represented by Mr. Brian Ayres, Mr. Jeff Duncan and Mr. Walt Zolla

## Gold Category

Gold Awards were presented to those agencies which produced **\$1 million** (or more—not to exceed \$1,999,999) in premium for the 2011 year. The agencies and their representatives receiving Gold Awards were:

- ◆ **Brown & Brown of Kentucky** — Represented by Mr. Joe Altobellis
- ◆ **Center of Insurance** — Represented by Mr. Bruce Barrick
- ◆ **Crawford Insurance** — Represented by Mr. Steve Crawford
- ◆ **Garrett-Stotz Company** — Represented by Mr. Tom Mitchell and Mr. Drew Windhorst
- ◆ **Logan Lavelle Hunt Insurance** — Represented by Mr. John Lavelle
- ◆ **Peel & Holland Financial Group** — Represented by Mr. Todd Anderson
- ◆ **Powell-Walton-Milward** — Represented by Mr. Kav Milward and Mr. Will Milward
- ◆ **Roeding Group Companies** — Represented by Mr. Steve Roeding
- ◆ **Western Rivers Corporation** — Represented by Ms. Patty Freeman

## Silver Category

Silver Awards were presented to those agencies which produced **\$500,000** (or more—not to exceed \$999,999) in premium for the 2011 year. The agencies and their representatives receiving Silver Awards were:

- ◆ **C.K. Ash & Associates** — Represented by Mr. Brian Jones
- ◆ **E.M. Ford & Company** — Represented by Mr. Lynn Holland
- ◆ **GCH Insurance** — Represented by Mr. John Hampton
- ◆ **Greater Lexington Insurance** — Represented by Mr. David Thornton
- ◆ **Morgan, Trevathan & Gunn** — Represented by Mr. Michael Martin
- ◆ **Putnam Agency** — Represented by Mr. David Lucas and Mr. Tom Phipps
- ◆ **Schiff, Kreidler-Shell** — Represented by Mr. Chad Bilz
- ◆ **Sterling G. Thompson** — Represented by Mr. Joe Kaelin
- ◆ **Van Zandt, Emrich & Cary** — Represented by Mr. Robert English and Mr. Duane Ray

The eight (8) award winning agencies that were UNABLE to attend the ceremony this year were:

- ◆ **BB&T Insurance Services** — Crystal Award Recipient
- ◆ **Curneal & Hignite Insurance** — Gold Award Recipient
- ◆ **The Underwriters Group** — Gold Award Recipient
- ◆ **Carroll & Stone Insurance** — Silver Award Recipient
- ◆ **Energy Insurance** — Silver Award Recipient
- ◆ **Hyland, Block & Hyland** — Silver Award Recipient
- ◆ **Maverick Insurance** — Silver Award Recipient
- ◆ **R.H. Clarkson Insurance Group** — Silver Award Recipient

## THE UNDERWRITER'S CORNER

In these uncertain economic times, it is more important than ever to understand and take advantage of opportunities that help manage your company's cash flow. One such opportunity is available through the Fund's monthly payroll reporting option. Fund members with annual normal premiums equal to or greater than **\$1,600.00** are eligible to report their payroll and remit premiums to the Fund on a monthly basis, rather than on an up-front annual basis. This option allows members to pay premiums monthly based upon actual payroll versus estimated payroll, thus avoiding costly discrepancies during the annual year-end audit.

If your company is currently on an up-front payroll reporting basis, and generates annual normal premiums equal to or greater than \$1,600.00, your company IS eligible for monthly payroll reporting. To switch from annual to monthly reporting for the upcoming 2013 policy year, contact your Agent or fax (502-245-6062) or e-mail a written request to Marrissa Barr (mbarr@lhclaims.com) in the Fund Office.

\*\*Please note that ALL members can pay their premium online at [www.kyagsif.com](http://www.kyagsif.com).

## IN THE BIG TIME

FUND FEATURED IN NATIONAL PUBLICATION

We are pleased to announce that *Best's Review*, a national insurance news publication by the A.M. Best Company, featured the Kentucky AGC/SIF in its October 2012 issue. Among numerous highlights, the article chronicles the rise of the Fund from a fledgling start-up, to a nationally respected beacon of group self-insurance.

To read the article, simply type the following link into your internet browser:

- ◆ [http://www.kyagsif.com/pdfs/AM\\_BEST\\_ARTICLE.pdf](http://www.kyagsif.com/pdfs/AM_BEST_ARTICLE.pdf)

## GET CONNECTED

SOCIAL MEDIA INITIATIVE

Recently, the Kentucky AGC/SIF launched a Social Media Initiative to distribute vital Fund information. Get connected on the following pages of *Facebook*, *LinkedIn* and *Twitter*!

- ◆ **Facebook:** <http://www.facebook.com/KYAGCSIF> (Be sure to "Like" us!)
- ◆ **LinkedIn:** [http://www.linkedin.com/company/2762201?trk=NUS\\_DIG\\_CMPY-fol](http://www.linkedin.com/company/2762201?trk=NUS_DIG_CMPY-fol)
- ◆ **Twitter:** <https://twitter.com/KENTUCKYAGCSIF>

## MINOR TWEAKS

2013 RATE CHANGES

After analyzing and considering a multitude of statistical data, as well as anticipating future market conditions, the Kentucky AGC/SIF's Board of Trustees, at its regularly held Board Meeting on October 30, 2012, resolved to adjust the Fund's "**Top-40**" **Governing Class Code Rates**, for the upcoming 2013 year.

For those rates that increased, no rate increased by more than 5%. For those rates that decreased, no rate decreased by more than 14%.

# FundScripts

KY AGC Self Insurers' Fund  
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502/245-2007



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## HOLDING STEADY

### SPECIAL FUND TAX

Effective January 1, 2013, the Kentucky Special Fund Assessment Tax Rate will remain at **6.28%**. The 6.28% rate represents the lowest Assessment Tax Rate that Kentucky Employers have experienced since 1989.

How does the Assessment Tax Rate affect your company? It is the rate you multiply your normal premium by each month (or one time per year if you pay your entire premium at the beginning of the policy year) to determine the applicable tax amount you must pay as part of your total monthly workers' compensation insurance premium payment.

## SAFETY AND EDUCATIONAL PROGRAM

>2013<

During the October 30, 2012 Board of Trustees' meeting, the structure of the 2013 Safety and Educational Program was unanimously passed. The Fund's Safety and Educational Program for 2013 will require all policies with an effective date through December 31, 2012 to attend, by October 31, 2013, a two (2) hour safety seminar offered by one (1) of the Fund's seven (7) participating Trade Associations or the Fund's Loss Control Provider, J.V. Resources, Inc.

Look for more information to come from the Trade Association of which you are a member, or from J.V. Resources, Inc., regarding training opportunities.

New members coming into the Fund with effective dates of January 1, 2013 (or after) will continue to be required to view the Fund's new member education video: "*Avoiding Jeopardy — Safety Pays!*" within thirty (30) days of receiving their new member packet.

Members with a loss ratio above the designated trigger ratio set for 2013 will continue to be required to participate in the Personal Review of the Watch List (P.R.O.W.L.) program.

If there are any questions regarding the Fund's Safety and Educational Program for 2013, please contact the Fund Office at (800) 928-7135.