

Aitkin County Board of Commissioners
Request for County Board Action/Agenda Item Cover Sheet



To: Chairperson, Aitkin County Board of Commissioners Date: 10-3-12

Via: Patrick Wussow, County Administrator

From: Patrick Wussow, County Administrator

Title of Item:

MCIT Dividend Allocation

Requested Meeting Date: 10-9-12 Estimated Presentation Time: _____

Presenter: Patrick Wussow, County Administrator

Type of Action Requested (check all that apply)

- For info only, no action requested Approve under Consent Agenda
- For discussion only with possible future action Adopt Ordinance Revision
- Let/Award Bid or Quote (attach copy of basic bid/quote specs or summary of complex specs, each bid/quote received & bid/quote comparison)
- Approve/adopt proposal by motion Approve/adopt proposal by resolution (attach draft resolution)
- Authorize filling vacant staff position
- Request to schedule public hearing or sale Other (please list) _____
- Request by member of the public to be heard
- Item should be addressed in closed session under MN Statute _____

Fiscal Impact (check all that apply)

- Is this item in the current approved budget? Yes _____ No _____ (attach explanation)
- What type of expenditure is this? Operating Capital Other (attach explanation)
- Revenue line account # that funds this item is: _____
- Expenditure line account # for this item is: _____

Staffing Impact (Any yes answer requires a review by Human Resources Manager before going to the board)

- Duties of a department employee(s) may be materially affected. Yes No
- Applicable job description(s) may require revision. Yes No
- Item may impact a bargaining unit agreement or county work policy. Yes No
- Item may change the department's authorized staffing level. Yes No



Supporting Attachment(s)

- Memorandum Summary of Item
- Copy of applicable county policy and/or ordinance (excerpts acceptable)
- Copy of applicable state/federal statute/regulation (excerpts acceptable)
- Copy of applicable contract and/or agreement
- Original bid spec or quote request (excluding complex construction projects)
- Bids/quotes received (excluding complex construction projects, provide comparison worksheet)
- Bid/quote comparison worksheet
- Draft County Board resolution
- Plat approval check-list and supporting documents
- Copy of previous minutes related to this issue
- Other supporting document(s) (please list) MCIT Letter to County Auditor

Provide (1) copy of supporting documentation NO LATER THAN Wednesday at Noon to make the Board's agenda for the following Tuesday. (If your packet contains colored copies, please provide (4) paper copies of supporting documentation as we do not have a color printer or copier.) Items WILL NOT be placed on the Board agenda unless complete documentation is provided for the Board packets.

AITKIN COUNTY ADMINISTRATION

Aitkin County Courthouse
217 Second Street N.W. Room 130
Aitkin, MN 56431
218-927-7276
Fax: 218-927-7374

TO: Aitkin County Board of Commissioners

FROM: Patrick Wussow, Aitkin County Administrator

RE: Minnesota Counties Intergovernmental Trust Dividend Allocation

DATE: October 3, 2012

Attached is correspondence from Minnesota Counties Intergovernmental Trust (MCIT) relating to Aitkin County's insurance dividend in the amount of \$344,502. In past years the County has put the dividend amount into a variety of different funds including County Insurance Trust, Building Construction, General fund, and Road and Bridge. The County Board, at times, has taken formal action to return a portion of the dividend to specific funds (General, and Road and Bridge).

Based on discussions and action taken in previous years, staff proposes returning a portion of the 2012 MCIT dividend to the following funds – Sheriff's Department, Road and Bridge Department, and Long Lake Conservation Center (LLCC).

Staff is recommending transferring the MCIT dividend in the following amounts based upon the percentage of combined insurance premium dollars paid:

Road and Bridge	47%	= \$160,527
Sheriff's Dept.	29%	= \$ 99,715
LLCC	4%	= \$ 15,645
General	<u>20%</u>	<u>= \$ 68,615</u>
	Total	= \$344,502

Please contact me if you have questions after reviewing the memo.

Patrick



Minnesota Counties Intergovernmental Trust

100 Empire Drive, Suite 100
St. Paul, MN 55103-1885
www.mcit.org

Phone: 651-209-6400
Toll Free: 866-547-6516
Fax: 651-209-6496

July 30, 2012

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Kirk Peysar
Auditor
Aitkin County
209 2nd St NW Rm 202
Aitkin, MN 56431

RE: 2012 DIVIDEND NOTICE

Dear Kirk Peysar,

Results of the Minnesota Counties Intergovernmental Trust 2011 coverage year are in and the Board of Directors is pleased to announce they have declared the organization's 22nd consecutive annual dividend to members. The financial audit conducted by Eide Bailly LLP and the analysis performed by Actuarial Advisors affirmed the soundness of the MCIT program and the fact that funds were available for dividend distribution. **This year's dividend totals \$29.9 million.** Positive performance in the workers' compensation division produced \$13.7 million of the dividend and \$16.2 million results from similar performance in the property/casualty division.

Your 2012 Dividend is \$344,502 allocated as follows:

- Workers' Compensation \$167,489
- Property/Casualty \$177,013

Fund balance is available for distribution due to conservative fiscal management, higher than expected investment yield and better than expected claims development on a pool wide basis resulting from members' dedication to risk management and loss control.

Dividends are a reflection of MCIT's past performance. Nothing guarantees ongoing positive performance. Each year the MCIT Board of Directors cautions members not to plan on dividends. They remain committed to the fiscal health of the organization and will continue to annually evaluate the merits of returning fund balance.

We are providing this letter to you for purposes of 2013 planning. The actual dividend payment will be mailed to you in mid-November of this year. We are once again offering Counties the option of having their dividend deposited directly into their bank account. Please contact Mary Frank at 651.209.6415 if you would like to exercise this option or if you have any questions.