



Pennsylvania Compensation Rating Bureau

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TO: Pennsylvania Classification and Rating Committee

FROM: David T. Rawson, Technical Director - Classification and Field Operations

DATE: November 3, 2005

RE: Proposed Revisions to Designated Auditable Payrolls and
Concurrent Sections 1 and 2 Manual Amendments

The Manual designates various auditable weekly or annual payrolls, including the weekly maximum musicians or entertainers payrolls, the weekly minimum and maximum corporate officer payrolls, the annual taxicab operator payroll and the annual minimum auxiliary or special school police payroll. The Bureau reviews these designated payrolls annually. The Section 1 proposal is a revision to the corporate officer maximum weekly payroll. In Section 2 there are proposed revisions to the taxicab driver annual payroll, to be used when cabs are leased and no payroll records are available, and to the auxiliary or special police minimum annual payroll. The proposed revisions to each of these designated payrolls are a function of Pennsylvania's Statewide Average Weekly Wage effective January 1, 2005 (\$716 – an increase of 3.8 percent in relation to the January 1, 2004 Statewide Average Weekly Wage of \$690), with results rounded to the nearest \$50 and calculated using a formula originally reviewed and adopted by the Committee in 1982. The Bureau recommends that all of the designated payroll revisions become effective concurrent with the implementation of the Bureau's 2006 loss cost revision.

PROPOSED MANUAL REVISIONS

SECTION 1

RULE IX - SPECIAL CONDITIONS OR OPERATIONS AFFECTING COVERAGE

A. EXECUTIVE OFFICERS

4. Premium Determination

Premium for executive officers..... refer to Section 5).

- c. The maximum individual payroll for an executive officer is \$~~[1,750]~~1,800 per week.

SECTION 2

803 TAXICAB COMPANY.

When cabs are leased to operators and no payroll records are available, an amount of \$~~[34,050]~~35,800 per annum shall be taken as payroll per operator. This amount may be prorated if the operator does not work a full year.

985 POLICE OR FIREFIGHTERS, SALARIED Employees of Cities, Townships, Boroughs or Counties.

Also includes auxiliary police or special school police appointed by municipalities or townships. For such personnel, premium shall be based upon the actual remuneration subject to a minimum payroll of \$~~[3,450]~~3,600 per year for each employee performing services at any time during the year.

Further included are..... assigned to Code 980.