



TO: Delaware Classification and Rating Committee
FROM: David T. Rawson
Technical Director, Classification and Field Operations
DATE: June 11, 2008
RE: Corporate Officer Weekly Minimum and Maximum Payrolls
To Be Audited in Delaware & Weekly Minimum and Maximum
Payrolls For Sole Proprietors Or Partners

The Bureau proposes a revision to the corporate officer weekly minimum and maximum payrolls to be audited for premium purposes in Delaware, which are also used as a sole proprietor's or a partner's auditable payroll when the proprietor's or partner's payroll cannot be determined. The corporate officer weekly minimum and maximum auditable payrolls are a function of the statewide average weekly wage rounded to the nearest \$50. The revisions thereto proposed below were calculated using formulas as reviewed and adopted by the Classification and Rating Committee in 1982. The Bureau recommends that the proposed revision to the weekly maximum auditable corporate officer payroll become effective concurrent with the implementation of the Bureau's 2008 comprehensive residual market rate and voluntary market loss cost revision.

Below find the proposed revisions to the weekly minimum and maximum corporate officer payrolls for Section 1, Rule IX, Paragraph A. 3. c. Deleted wording is bracketed and new wording is underlined.

SECTION 1

**RULE IX – SPECIAL CONDITIONS OR OPERATIONS AFFECTING
COVERAGE AND PREMIUM**

A. EXECUTIVE OFFICERS

3. Premium Determination

Premium..... following:

c. The maximum individual payroll for an executive officer is \$[2,200]2,250 per week.

- c: Timothy L. Wisecarver
- Vincent P. Dean
- Bruce E. Decker
- Kathy Grady
- Joseph Lombo
- Rick Stapf