

FISCAL YEAR 2021 BUDGET

Fund Summary

Fund Name : Workers' Compensation

Fund No./Bus. Area No. : 1011 / 8000 / 9000

	<u>FY2020 Current Budget</u>	<u>FY2020 Estimate</u>	<u>FY2021 Budget</u>
Beginning Fund Balance	0	0	0
Current Revenues	31,646,644	31,426,172	32,681,488
Total Available Resources	<u>31,646,644</u>	<u>31,426,172</u>	<u>32,681,488</u>
Maintenance and Operations	31,646,644	31,426,172	32,681,488
Total Expenditures	<u>31,646,644</u>	<u>31,426,172</u>	<u>32,681,488</u>
Planned Ending Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Budget	<u><u>31,646,644</u></u>	<u><u>31,426,172</u></u>	<u><u>32,681,488</u></u>
<u>Fund Balance Distribution</u>			
Non-Spendable	0	0	0
Restricted	0	0	0
Committed	0	0	0
Assigned	0	0	0
Unassigned	0	0	0

The above summarizes the FY2020 Budget, FY2020 Estimate and FY2021 Budget for the Worker's Compensation Fund. Also included are the beginning and ending fund balances, total revenues and total expenditures.

The Workers' Compensation Fund is a service chargeback fund administered by the Human Resources Department. The Fund was established to centralize the financial transactions in the areas of workers' compensation, accident prevention, and loss control.

The City's Workers' Compensation Program is self-insured and has a contract with a third party administrator to manage claims activity. All financial liability for indemnity payments, medical costs, and other claims related payments are processed directly to the departments. Department premium rates are based on projected external Third Party Administrator (TPA) fees and internal administrative costs allocated on staffing levels.

The administrative portion of the budget includes staff for an accident prevention unit in the Human Resources Department and a litigation unit in the Legal Department. A prime objective is the elimination of accidents via the implementation, monitoring and assessment of departments' Accident Prevention Plans. These cooperative efforts have reduced accidents and returned years of productivity and saved millions in workers' compensation payments. Emphasis on the "return to work" program was accomplished by the adoption of the Work Ability Guidelines, effective April 1, 1995, with a comprehensive revision effective December 16, 2006. These guidelines institute a transitional duty program, which focuses on returning injured employees to work as soon as medically possible, while complying with all federal, state, and local laws.

FISCAL YEAR 2021 BUDGET

Business Area Budget Summary

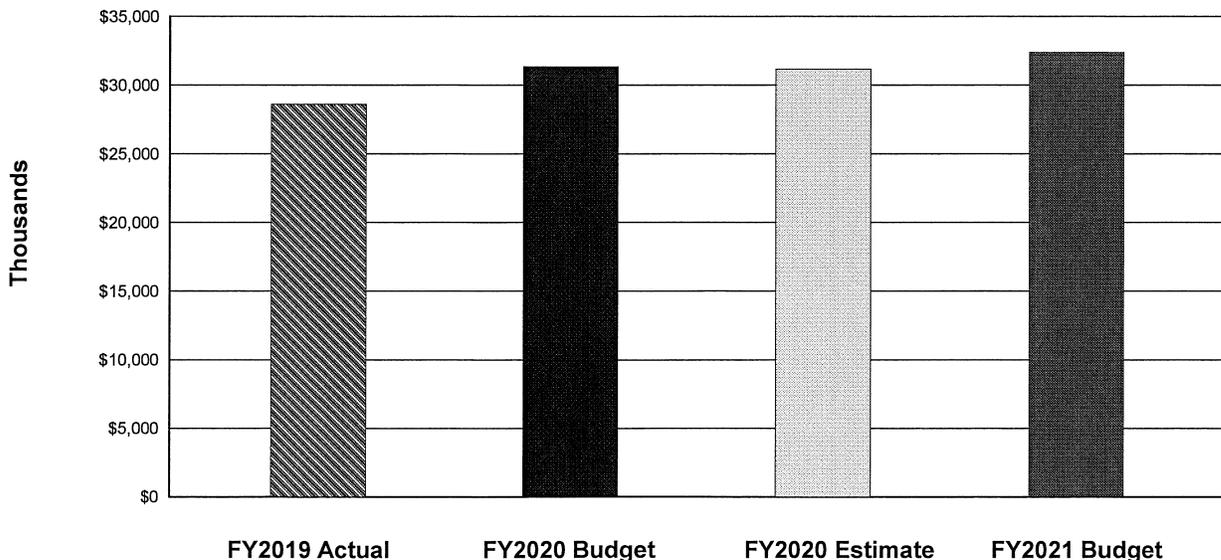
Fund Name : Workers' Compensation
Business Area : Human Resources
Fund No. /Bus. Area No. : 1011 / 8000

		FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Budget
Expenditures	Personnel Services	4,995,363	6,427,183	5,209,233	6,359,928
	Supplies	110,688	152,814	148,863	120,773
	Other Services and Charges	23,436,498	24,675,394	25,676,248	25,785,357
	Equipment	76,811	80,000	79,712	131,000
	Non-Capital Equipment	2,644	30,800	31,663	10,424
	Total M & O Expenditures	<u>28,622,004</u>	<u>31,366,191</u>	<u>31,145,719</u>	<u>32,407,482</u>
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	<u>28,622,004</u>	<u>31,366,191</u>	<u>31,145,719</u>	<u>32,407,482</u>
Revenues		28,622,004	31,646,644	31,426,172	32,681,488
Staffing	Full-Time Equivalents - Civilian	52.8	65.0	59.9	62.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	<u>52.8</u>	<u>65.0</u>	<u>59.9</u>	<u>62.0</u>
	Full-Time Equivalents - Overtime	0.2	0.1	0.0	0.0

Significant Budget Changes and Highlights

- o The FY2021 Budget provides funding for health benefits, pension contribution, and municipal employees contractual pay increases.
- o The FY2021 Budget includes an increase of \$1.5 million for catastrophic claims.
- o The Workers' Compensation Fund's administrative rate (per employee per pay period) is based on all projected program administrative costs including third-party administrative fees, startup/maintenance costs, and ancillary service costs. The proposed FY2021 rate will remain at \$12.31 per employee.
- o The FY2021 Budget includes funding for the Zero Is Possible (ZIP) Program to decrease workers compensation incident.
- o The FY2021 Budget includes implementation funding for safety management software.

**Workers' Compensation
Human Resources
Expenditure Summary**



FISCAL YEAR 2021 BUDGET

Business Area Performance Measures

Fund Name : Workers' Compensation
Business Area : Human Resources
Fund No. /Bus. Area No. : 1011 / 8000

Performance Measures	FY2019 Actual	FY2020 Target	FY2020 Estimate	FY2021 Target
Return to Work within 7 Days of Injury	76%	80%	71%	80%
Return to Work within Maximum Disability Guideline	71%	70%	75%	70%
Safety inspections, audits and investigations	1,698	3,300	3,000	3,300
Expenditures Adopted Budget vs Actual Utilization	106%	100%	99%	100%
Revenues Adopted Budget vs Actual Utilization	105%	100%	99%	100%

FISCAL YEAR 2021 BUDGET

Division Summary							
Fund Name : Workers' Compensation							
Business Area : Human Resources							
Fund No. /Bus Area No. : 1011 / 8000							
Division Description		FY2019 Actual		FY2020 Estimate		FY2021 Budget	
		FTEs	Costs \$	FTEs	Costs \$	FTEs	Costs \$
Employee Clinic	800009						
In FY2021, this division is transferred to Central Service Revolving Fund 1002.		3.0	675,745	3.0	655,207	0.0	0
Safety & Worker's Comp	800010						
Provides citywide oversight in the areas of accident prevention, loss control, and workers' compensation. The Safety team investigates accidents and injuries, safety concerns, conducts safety education courses, safety audits, inspections and leads in emergency preparedness.		43.4	27,354,256	51.9	30,130,053	57.0	31,812,660
WC Finance	810007						
Provides statistical data in areas of accident prevention, workers' compensation claims losses, and unemployment compensation. Provides financial reporting and budget management for Human Resources department.		6.4	592,003	5.0	360,459	5.0	594,822
Total		52.8	28,622,004	59.9	31,145,719	62.0	32,407,482

FISCAL YEAR 2021 BUDGET

Business Area Revenues Summary

Fund Name : Workers' Compensation
Business Area : Human Resources
Fund No./Bus. Area No. : 1011 / 8000

Category	FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Budget
Direct Interfund Services	28,485,584	31,618,644	31,395,156	32,653,488
Interest	59,728	28,000	28,000	28,000
Miscellaneous/Other	76,692	0	3,016	0
Grand Total Revenues	<u><u>28,622,004</u></u>	<u><u>31,646,644</u></u>	<u><u>31,426,172</u></u>	<u><u>32,681,488</u></u>

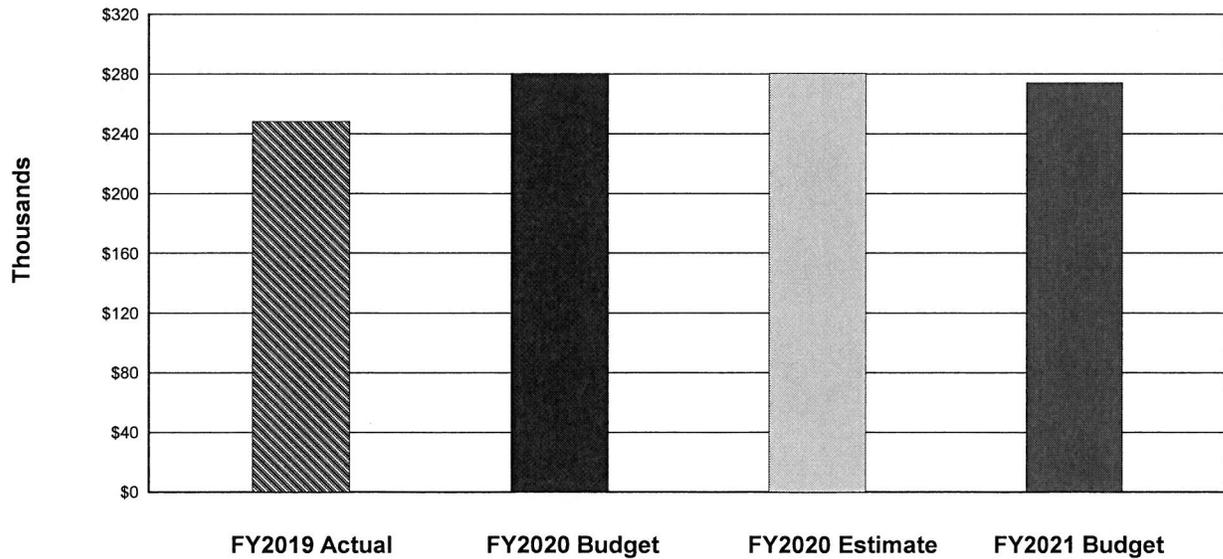
FISCAL YEAR 2021 BUDGET

Business Area Budget Summary

Fund Name : Workers' Compensation
Business Area : Legal
Fund No. /Bus. Area No. : 1011 / 9000

		FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Budget
Expenditures	Personnel Services	225,196	253,446	253,446	247,319
	Supplies	13,400	13,400	13,400	13,400
	Other Services and Charges	9,711	13,607	13,607	13,287
	Total M & O Expenditures	<u>248,307</u>	<u>280,453</u>	<u>280,453</u>	<u>274,006</u>
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	<u>248,307</u>	<u>280,453</u>	<u>280,453</u>	<u>274,006</u>
Revenues		248,307	0	0	0
Staffing	Full-Time Equivalents - Civilian	2.0	2.0	2.0	2.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0
Significant Budget Changes and Highlights	o The FY2021 Budget provides funding for health benefits, pension contribution, and municipal employees contractual pay increases.				

**Workers' Compensation
Legal
Expenditure Summary**



FISCAL YEAR 2021 BUDGET

Division Summary						
Fund Name : Workers' Compensation						
Business Area : Legal						
Fund No. /Bus Area No. : 1011 / 9000						
Division Description	FY2019 Actual		FY2020 Estimate		FY2021 Budget	
	FTEs	Costs \$	FTEs	Costs \$	FTEs	Costs \$
LGL - Workers Compensation Admin. 900013						
This section is responsible for providing comprehensive legal services for the City's Workers' Compensation Benefits Program including defending contested claims, pursuing subrogation matters, and providing general counsel relating to the program.	2.0	248,307	2.0	280,453	2.0	274,006
Total	2.0	248,307	2.0	280,453	2.0	274,006

FISCAL YEAR 2021 BUDGET

Business Area Revenues Summary

Fund Name : **Workers' Compensation**
Business Area : **Legal**
Fund No./Bus. Area No. : **1011 / 9000**

Category	FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Budget
Direct Interfund Services	248,307	0	0	0
Grand Total Revenues	<u><u>248,307</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>