



Legislation Text

File #: 18-270, **Version:** 1

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SUBJECT: Supplemental Appropriation for Payment of Workers' Compensation Medical Claims

REPORT IN BRIEF

Supplemental appropriation for payment of Workers' Compensation medical claims

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving a supplemental appropriation in Fund 061 - Measure C in the amount of \$50,000 and transferring to Fund 666 Workers Compensation Fund; and,
- B. Approving a supplemental appropriation in the General Fund in the amount of \$225,000 and transferring to Fund 666 Workers Compensation Fund; and,
- C. Authorizing the Finance Officer to make the necessary budget adjustments.

ALTERNATIVES

None.

AUTHORITY

Article XI - Fiscal Administration

CITY COUNCIL PRIORITIES

As provided for in the 2017-18 Adopted Budget

DISCUSSION

The City of Merced's Workers' Compensation program is a self-funded plan. During the annual budget process, the Support Services department works with the City Attorney's office to estimate the needs of existing claims and pending settlements to recommend funding for this program. During this fiscal year, the City has experienced higher than anticipated workers' compensation medical procedures and permanent disability settlement payouts to injured employees.

Support Services is requesting a supplemental appropriation of Measure C funds and General Fund to cover the claims and payments needed for the remainder of FY 2017/18. Prior to making this request, the department had depleted all prior year funding and contingency reserves in Fund 666 for payment of workers' compensation medical claims.

IMPACT ON CITY RESOURCES

Supplemental appropriation is necessary to fund the workers' compensation medical claims for the remainder of the fiscal year. Appropriation request is from Measure C Fund and the General Fund as the majority of the claims activity is for public safety medical claims.

ATTACHMENTS

None.