



CITY OF PACIFIC GROVE
300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council
FROM: Stephen Green , Administrative Services Manager
MEETING DATE: August 7, 2019
SUBJECT: Workers Compensation Report - Fourth Quarter Fiscal Year 2018-19
CEQA: Does not constitute a “Project” per California Environmental Quality Act Guidelines Section 15378

RECOMMENDATION

Receive the report.

DISCUSSION

On November 4, 2015, the Council approved a five-year [Workers’ Compensation phased refunding plan](#) to bring the designated internal service fund into compliance with the Council’s Budget and Financial Management Policy. At that time, Staff recommended that Council receives a quarterly status report on case statistics and Workers’ Compensation Fund balances. Case statistics for the quarter ending June 30, 2019, is included in Attachment A.

The City Workers’ Compensation program is a form of insurance that provides compensation and medical care for employees who become injured during employment. The City is currently a member of the Public Agency Risk Sharing Authority of California (PARSAC). This Authority provides excess Workers’ Compensation liability coverage above the City’s self-insured retention amount of \$100,000 per occurrence. Workers’ Compensation provides for: Payments in place of wages (functioning as a form of disability insurance), compensation for economic loss (past and future), reimbursement or payment of medical and like expenses (operating as a form of health insurance), and benefits payable to the dependents of workers killed during employment (operating as a form of life insurance).

OPTIONS

None

FINANCIAL IMPACT:

There is no fiscal impact. This item is informational only.

GOAL ALIGNMENT: Not Applicable.

Attachments

Worker's Compensation Statistics



City of Pacific Grove

Workers Compensation Statistics

Projected Fund Balance

The Workers' Compensation Internal Service Fund (ISF) is used to separately budget and account for services provided to General Fund departments, as well as Enterprise Funds. The calculations for the contributions to the ISF are on a cost recovery basis, with charges apportioned to City departments based on claim trends and how many participants.

The chart below is the status of the internal service fund for Workers' Compensation.

Workers Compensation Fund	Amount
Fund Balance, July 1, 2018	\$191,550
Revenues: Through June 30, 2019	664,553
Expenditures: Through June 30, 2019	558,734
Estimated Fund Balance as of June 30, 2019	\$297,369

In line with the Council's direction, Fiscal Year 2017-18 ended with a positive fund balance. The amounts listed above reflect the payment of insurance made at the beginning of the year; and revenues associated with department contributions and excess claim refunds. The estimated fund balance is anticipated to remain approximately the same as we close Fiscal Year 2018-19.

Cumulative Claims Outstanding

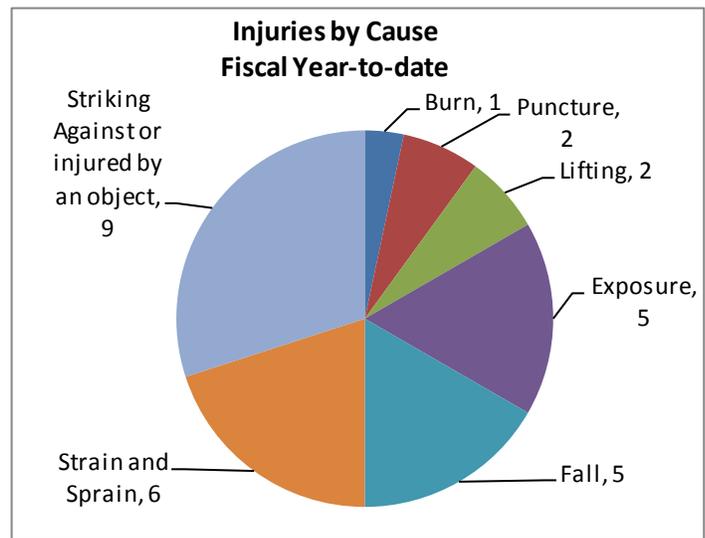
At the close of the fourth quarter, there was a slight increase over last quarter bringing the total open or reopened worker's compensation claims from 45 to 46. These claims represent incidents that have occurred in both the current and prior years. In the fourth quarter, the total number of open claims subject to litigation was 26, and is up one from the previous quarter. The City meets quarterly with the City's third party administrator to evaluate and proactively manage claims. The chart below presents an overview of the City's ongoing claims.

Summary of Open/Reopen Claims as of June 30, 2019			
	Non-Litigated	Litigated	Total
Future Medical	11	21	32
Disability or Lost Time	6	5	11
Medical Only	3	0	3
First Aid	0	0	0
Total open claims	20	26	46

New Claims – Fourth Quarter

In the fourth quarter of 2018/19, there were eight workers' compensation claims reported, with all returning to work within the quarter, without restrictions. The adjacent chart provides a list of claims by cause:

- Struck or Striking Against
- Strain and Sprain
- Fall
- Exposure
- Lifting
- Puncture
- Burn



The table listed below provides a comparison of claims over the fourth quarter of prior year. While there were more claims in the current year than the prior, all have returned to work with one person on modified duty. The safety committee will be reviewing claims to enhance city-wide preventive programs.

New Claims by Type				
	Fourth Quarter		Year-to-Date	
	Current Year	Prior Year	Current Year	Prior Year
New Claims Received During the Period:				
Disability or Lost Time	0	1	4	4
Medical	4	3	13	8
First Aid	4	4	13	8
Total Claims by Type	8	8	30	20

The following chart provides an overview of quarterly trends. With the safety program in place, department safety liaisons are promoting the importance of reporting incidents so work environments can become safer. For example, third and fourth quarters had no disability or lost time reported. The number of fourth quarter injuries remained flat when compared to prior year fourth quarter.

