

# Workers' Compensation and Employer Liability Trust

## Contribution and Reserve Analysis for FY 2023-24

| Actuarial Report Comparison      | June 30, 2021                | June 30, 2022 | Change from Prior Year |
|----------------------------------|------------------------------|---------------|------------------------|
|                                  | <b>Nominal/Central Value</b> |               |                        |
| Estimated Unpaid Losses & ALAE   | 10,458,761                   | 10,504,362    | 45,601                 |
| Projected Ultimate Losses & ALAE | 2,700,000                    | 2,907,000     | 207,000                |
|                                  | 13,158,761                   | 13,411,362    | 252,601                |
|                                  |                              |               | 1.9%                   |
| Audit Report Comparison          | June 30, 2021                | June 30, 2022 | Change from Prior Year |
|                                  | <b>Net Position</b>          |               |                        |
| Net Position, restated           | 4,001,471                    | 3,705,693     | (295,778)              |
| IBNR & Case Reserves             | 10,458,761                   | 10,504,362    | 45,601                 |
| Net Position w/o IBNR            | 14,460,232                   | 14,210,055    | (250,177)              |
|                                  |                              |               | -1.7%                  |
| Amount over (under)              | 1,301,471                    | 798,693       |                        |

| Reserve Analysis                                                 | Actual FY 20/21    | Actual FY 21/22    | Estimated FY 22/23 | Proposed FY 23/24  |
|------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Beginning Fund Balance</b>                                    | <b>12,325,282</b>  | <b>14,467,378</b>  | <b>15,833,985</b>  | <b>17,551,802</b>  |
| <b>Revenues</b>                                                  |                    |                    |                    |                    |
| Contribution to Fund/Int Income                                  | 4,795,083          | 4,486,957          | 4,475,296          | 5,160,100          |
| Transfer In from Utilites for Safety Pos.                        | 57,286             | 58,922             | 61,446             | 67,500             |
| Transfer In from General Fund                                    | -                  | -                  | -                  | -                  |
| Transfer In for Muni FF Cancer Reimb Fd                          | -                  | 676,429            | 676,429            | -                  |
| <b>Total Revenues</b>                                            | <b>4,852,369</b>   | <b>5,222,308</b>   | <b>5,213,171</b>   | <b>5,227,600</b>   |
| <b>Expenditures</b>                                              |                    |                    |                    |                    |
| Operating Expenditures                                           | (873,839)          | (1,650,981)        | (1,995,354)        | (2,381,384)        |
| Claim Expenditures                                               | (1,836,434)        | (2,204,720)        | (1,500,000)        | (3,000,000)        |
| <b>Total Expenditures</b>                                        | <b>(2,710,273)</b> | <b>(3,855,701)</b> | <b>(3,495,354)</b> | <b>(5,381,384)</b> |
| <b>Ending Fund Balance</b>                                       | <b>14,467,378</b>  | <b>15,833,985</b>  | <b>17,551,802</b>  | <b>17,398,018</b>  |
| Actuarially Calculated "Nominal/Central Level" (6/30/22 report)  |                    |                    |                    | 13,411,362         |
| Projected Fund Balance for FY 2023-24 over Nominal/Central Level |                    |                    |                    | 3,986,656          |

| Recommendation of Change in City Contribution to Trust for FY 2023-24                                                    | FY 2022-23* | FY 2023-24 | Change in Contribution |
|--------------------------------------------------------------------------------------------------------------------------|-------------|------------|------------------------|
| Ongoing Contribution                                                                                                     | 5,060,100   | 5,060,100  | -                      |
| *Adjusted from \$4,383,700 to include the MFCR contribution (\$676,400), which was transferred in from the General Fund. |             |            |                        |