



Broward County

Legislation Details (With Text)

File #: 21-1064 **Version:** 1

Status: Agenda Ready

In control: OFFICE OF MANAGEMENT AND BUDGET

On agenda: 6/15/2021 **Final action:** 6/15/2021

Title: MOTION TO ADOPT budget Resolution No. 2021-322 transferring \$5,000,000 within the Broward Sheriff's Office (BSO) Workers' Compensation Fund from the reserve to BSO Administration for workers' compensation claims.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit 1 - BSO Request, 2. Exhibit 2 - Budget Resolution

Date	Ver.	Action By	Action	Result
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Broward County Commission Regular Meeting

Director's Name: Norman Foster

Department: Office of Management and Budget

Information

Requested Action

MOTION TO ADOPT budget Resolution No. 2021-322 transferring \$5,000,000 within the Broward Sheriff's Office (BSO) Workers' Compensation Fund from the reserve to BSO Administration for workers' compensation claims.

Why Action is Necessary

Transferring funds from reserves requires approval of the Board of County Commissioners.

What Action Accomplishes

Transfers \$5,000,000 from the BSO Workers' Compensation Fund reserve to BSO Administration to settle workers' compensation claims.

Is this Action Goal Related

No

Previous Action Taken

The Board of County Commissioners adopted budget Resolution No. 2020-644 on November 10, 2020, which transferred \$2,000,000 from the BSO Workers' Compensation Fund reserve to BSO Administration to cover increased claims due to the COVID-19 pandemic.

In addition, \$1,526,654.18 in Fiscal Year 2020 BSO Workers' Compensation Fund expenses were moved from that fund to the County's non-federal CARES Act Fund.

Summary Explanation/Background

This motion seeks approval to transfer \$5,000,000 from the BSO Workers' Compensation Fund reserve to BSO Administration to cover increased claims due to the COVID-19 pandemic. The Fiscal Year 2021 operating budget, as amended by budget Resolution No. 2020-644, includes \$16,435,565 for BSO workers' compensation claims. If approved, this transfer would bring BSO's total Fiscal Year 2021 budget for workers' compensation claims to \$21,435,565.

BSO has administered a workers' compensation program for its employees since October 1, 2012. Prior to that date, BSO employees were included in the County's workers' compensation program. The County provides funding to BSO for its workers' compensation program through its annual budget. As provided in the Memorandum of Understanding (MOU) which transferred authority for a workers' compensation program for BSO employees from the County to BSO, the amount budgeted for BSO workers' compensation claims exposure is based on an annual actuarial report prepared at the County's expense. The actuarial report projects the budgetary need for the self-insured portion of BSO's workers' compensation program in order to pay claims and have adequate reserves for outstanding liabilities. The MOU prohibits BSO from transferring funds budgeted for workers' compensation to any other area of their budget and specifies that excess funding be returned to the County at the end of each Fiscal Year for deposit into the BSO Workers' Compensation Fund.

Source of Additional Information

Colonel James Reyes, BSO Department of Administration, (954) 831-8180

Norman Foster, Director, Office of Management and Budget, (954) 357-6346

Fiscal Impact

Fiscal Impact/Cost Summary

The BSO Workers' Compensation Fund reserve is budgeted at \$52,123,654 in Fiscal Year 2021. This action would reduce that reserve by \$5,000,000.