

**City of Dearborn  
Workers' Compensation Fund  
Proposed FY2018, 2019 and 2020 Budget**

**This fund accounts for reserves established to support future expenditures for indemnity claims arising from work-related injuries.**

**Revenues**

- Revenue in Fiscal 2018 is projected to increase due primarily to the addition of employees, comp and class salary adjustments, and IAFF Act 312 binding arbitration, subsequently increasing employee payroll contributions.
- Fiscal 2017 and 2018 revenue increase due to employee repayment of workers compensation payments and lien.
- Fiscal 2017 and 2018 revenue decrease due to death of retiree and termination of State reimbursements.

**Expenditures**

- Hospital Charges and Settlements Expense are the major expenses in this fund. These costs can vary significantly each year and determine the overall financial condition of the fund.
- Projected expenditures are estimated to exceed revenue for FY2018. Budgeted expenditures for 2018 - 2020 also exceed revenues due to anticipated increases in settlements expense.

**Reserves**

- With the 2018 -2020 budgeted reductions to the reserve, the estimated 2020 fund balance is approximately \$1.9 million.