

Employees' Compensation Fund

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Table BG0-1

Description	FY 2016	FY 2017	FY 2018	FY 2019	% Change
	Actual	Actual	Approved	Proposed	from FY 2018
OPERATING BUDGET	\$25,281,099	\$25,538,263	\$21,708,502	\$24,131,582	11.2
FTEs	0.0	0.0	0.0	52.0	N/A

The mission of the Employees' Compensation Fund is to provide fiscal resources to administer the Public Sector Workers' Compensation program for District of Columbia government employees and to pay the required claims costs of eligible claimants, pursuant to applicable District laws.

The agency's FY 2019 proposed budget is presented in the following tables:

FY 2019 Proposed Gross Funds Operating Budget and FTEs, by Revenue Type

Table BG0-2 contains the proposed FY 2019 budget by revenue type compared to the FY 2018 approved budget. It also provides FY 2016 and FY 2017 actual data.

Table BG0-2

(dollars in thousands)

	Dollars in Thousands							Full-Time Equivalents					
	Actual FY 2016	Actual FY 2017	Approved FY 2018	Proposed FY 2019	Change from FY 2018	% Change*	Actual FY 2016	Actual FY 2017	Approved FY 2018	Proposed FY 2019	Change from FY 2018	% Change	
Appropriated Fund													
GENERAL FUND													
Local Funds	25,281	25,538	21,709	24,132	2,423	11.2	0.0	0.0	0.0	52.0	52.0	N/A	
TOTAL FOR GENERAL FUND	25,281	25,538	21,709	24,132	2,423	11.2	0.0	0.0	0.0	52.0	52.0	N/A	
GROSS FUNDS	25,281	25,538	21,709	24,132	2,423	11.2	0.0	0.0	0.0	52.0	52.0	N/A	

*Percent change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private), Special Purpose Revenue type and Intra-District agreement, please refer to **Schedule 80 Agency Summary by Revenue Source** in the **FY 2019 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2019 Proposed Operating Budget, by Comptroller Source Group

Table BG0-3 contains the proposed FY 2019 budget at the Comptroller Source Group (object class) level compared to the FY 2018 approved budget. It also provides FY 2016 and FY 2017 actual expenditures.

Table BG0-3

(dollars in thousands)

Comptroller Source Group	Actual FY 2016	Actual FY 2017	Approved FY 2018	Proposed FY 2019	Change from FY 2018	Percentage Change*
11 - Regular Pay - Continuing Full Time	0	0	0	3,937	3,937	N/A
12 - Regular Pay - Other	0	6,887	0	12,350	12,350	N/A
14 - Fringe Benefits - Current Personnel	0	899	0	3,317	3,317	N/A
SUBTOTAL PERSONAL SERVICES (PS)	0	7,786	0	19,604	19,604	N/A
20 - Supplies and Materials	1,762	1,510	1,500	1,510	10	0.7
40 - Other Services and Charges	9,532	8,007	7,594	3,017	-4,577	-60.3
50 - Subsidies and Transfers	13,987	8,235	12,615	0	-12,615	-100.0
SUBTOTAL NONPERSONAL SERVICES (NPS)	25,281	17,752	21,709	4,527	-17,181	-79.1
GROSS FUNDS	25,281	25,538	21,709	24,132	2,423	11.2

*Percent change is based on whole dollars.

FY 2019 Proposed Operating Budget and FTEs, by Division/Program and Activity

Table BG0-4 contains the proposed FY 2019 budget by division/program and activity compared to the FY 2018 approved budget. It also provides FY 2016 and FY 2017 actual data. For a more comprehensive explanation of divisions/programs and activities, please see the Division/Program Description section, which follows the table.

Table BG0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2016	Actual FY 2017	Approved FY 2018	Proposed FY 2019	Change from FY 2018	Actual FY 2016	Actual FY 2017	Approved FY 2018	Proposed FY 2019	Change from FY 2018
(0010) DISABILITY COMPENSATION FUND										
(1000) Disability Compensation Fund	25,281	25,538	21,709	24,132	2,423	0.0	0.0	0.0	52.0	52.0
SUBTOTAL (0010) DISABILITY COMPENSATION FUND	25,281	25,538	21,709	24,132	2,423	0.0	0.0	0.0	52.0	52.0
TOTAL PROPOSED OPERATING BUDGET	25,281	25,538	21,709	24,132	2,423	0.0	0.0	0.0	52.0	52.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

Note: For more detailed information regarding the proposed funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2019 Operating Appendices** located on the Office of the Chief Financial Officer's website. "No Activity Assigned" indicates budget or actuals that are recorded at the division/program level.

Program Description

The Employees' Compensation Fund operates through the following program:

Disability Compensation Fund – is established by the District of Columbia Merit Personnel Act (D.C. Law 2-139, as amended). Payments are made to District employees, with eligible and verified claims, as compensation for lost wages, medical services related to workplace injuries, and return-to-work services such as vocational rehabilitation. In FY 2004, the administration of the Fund was transferred to the D.C. Office of Risk Management.

Program Structure Change

The Employees' Compensation Fund has no program structure changes in the FY 2019 proposed budget.

FY 2018 Approved Budget to FY 2019 Proposed Budget, by Revenue Type

Table BG0-5 itemizes the changes by revenue type between the FY 2018 approved budget and the FY 2019 proposed budget. For a more comprehensive explanation of changes, please see the FY 2019 Proposed Budget Changes section, which follows the table.

Table BG0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2018 Approved Budget and FTE		21,709	0.0
No Change		0	0.0
LOCAL FUNDS: FY 2019 Recurring Budget		21,709	0.0
Agency Request-Increase: To align personal services and Fringe Benefits with projected costs	Disability Compensation Fund	14,563	0.0
Agency Request-Decrease: To offset projected adjustments in personal services costs	Disability Compensation Fund	-14,563	0.0
Mayor's Policy-Enhance: To support additional FTEs	Disability Compensation Fund	1,169	39.0
Mayor's Policy-Transfer-In: To move claims processing in-house	Disability Compensation Fund	1,254	13.0
LOCAL FUNDS: FY 2019 Mayor's Proposed Budget		24,132	52.0
No Change		0	0.0
LOCAL FUNDS: FY 2019 District's Proposed Budget		24,132	52.0
GROSS FOR BG0 - EMPLOYEES' COMPENSATION FUND		24,132	52.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

FY 2019 Proposed Budget Changes

The Employees' Compensation Fund's (ECF) proposed FY 2019 gross budget is \$24,131,582, which represents an 11.2 percent increase over its FY 2018 approved gross budget of \$21,708,502. The budget is comprised entirely of Local funds.

Recurring Budget

No Change: The Employees' Compensation Fund's budget proposal reflects no change from the FY 2018 approved budget to the FY 2019 recurring budget.

Mayor's Proposed Budget

Agency Request – Increase: The Employees' Compensation Fund's proposed budget includes an increase of \$14,563,265 in personal services to support the projected costs of indemnity payments.

Agency Request – Decrease: The nonpersonal services proposed budget reflects a net decrease of \$14,573,265, primarily in Subsidies and Transfers, to recognize the impact of transitioning from a third-party operator of the Worker's Compensation program to in-house processing.

Mayor's Policy - Enhance: To provide better customer service, the proposed budget reflects an increase of \$1,169,000 in personal services to partially support additional 39.0 Full-Term Equivalents (FTEs), as well as salary step increases and projected Fringe Benefit costs.

Mayor's Policy - Transfer-In: Additionally, the personal services proposed budget includes an increase of \$1,254,080 to recognize transfer from the Non-Departmental agency. This adjustment will support 13.0 FTE's and ECF's compliance with the statutory requirements for bringing in-house the administration of the Public Sector Worker's Compensation Program. The positions are projected to be filled throughout the fiscal year.

District's Proposed Budget

No Change: The Employees' Compensation Fund's budget proposal reflects no change from the Mayor's proposed budget to the District's proposed budget.