

COMMONWEALTH OF MASSACHUSETTS
CITY OF LOWELL

VOTE

IN CITY COUNCIL:

ORDER,

To transfer funds from the Manager's Contingency Account to the Law Department for workers' compensation payments for School Department employees.

ORDERED,

By the City Council of the City of Lowell, as follows:

That the amount of **Two Hundred Thirty Three Thousand and 00/100 (\$233,000.00) Dollars** be transferred:

FROM: City Manager - Contingency, as more fully described in "Attachment A"

TO: Law Department – Workmen's Comp - Schools, as more fully described in "Attachment A"

ORDER RECOMMENDED AND INTRODUCED BY:



Thomas A. Golden, Jr., City Manager

Budget Transfer Form

Requestor: Austin Ball, Deputy CFO

Date: 3/21/2023

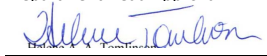
Fund	Organizational ID	Object	Amount Requested	(1) Source of Additional Funding***	(1) Amount (transfers only)
0010	09129711	516900	\$ 233,000.00	01237056-561700	\$ 233,000.00

***Include Fund, Org, and Object if this is a budget transfer

Reason for budget adjustment:

Transfer from contingency to workers comp school account

Department Head Approval:



CFO Approval:




Attachment "A"



Conor Baldwin
 Chief Financial Officer

MEMORANDUM

TO: Thomas A. Golden, Jr., City Manager
FROM: Conor Baldwin, Chief Financial Officer 
CC: Helene Tomlinson, City Solicitor
DATE: March 21, 2023
SUBJECT: Law Department Transfer – Worker’s Compensation

City Solicitor Helene Tomlinson has sent along a request to transfer supplemental funds into the accounts budgeted for payments associated with worker’s compensation payments for school department employees. The funding needs are associated with a spike in claims. The requested amount of funding will carry these costs through the end of the fiscal year and will bring the FY2023 total to approximately \$983,000 for schools. The funding for these claims will be charged against the schools for net school spending.

The funding to satisfy the transfer needs has been identified by the finance department from the Manager’s Contingency.

Below is a summary of the impacted accounts:

	Account Name	Original Budget	Previous Transfers	Revised Budget	YTD Expenditures (Actual)	Encumbrances	Balance Before Transfer	Transfer	Balance After Transfer
Transfer TO:									
TO:	1. Law Department - Wokmens Comp - Schools	\$ 750,000	\$ -	\$ 750,000	\$ 751,593	\$ -	\$ (1,593)	\$ 233,000	\$ 231,407
Transfer FROM:									
	1. City Manager - Contingency	\$ 2,078,911	\$ (1,356,566)	\$ 722,345	\$ -	\$ -	\$ 722,345	\$ (233,000)	\$ 489,345
FROM:	1. City Manager - Contingency Wage*	\$ 1,589,411	\$ (337,400)	\$ 1,252,011	\$ -	\$ -	\$ 1,252,011	\$ -	\$ 1,252,011
<small>*Only shown for record purposes</small>									

City of Lowell - Law Department

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Helene A. A. Tomlinson
City Solicitor

John J. McKenna
Corey F. Williams
1st Assistant City Solicitors

March 16, 2023

City Manager Thomas A. Golden, Jr.
Mayor Sokhary Chau
And
Members of the City Council

Alethea C. Dys-Peirce
Assistant City Solicitor

Re: Transfer Request

Dear Manager Golden, Mayor Chau and Members of the City Council:

I write regarding a requested transfer of additional funds to the Workers' Compensation School account. As you are aware, School department employees' injury claims are administered through the Law Department. While a transfer is not unexpected, this year's expenses are similar to previous years. In the past, the budgetary deficit in this account has required funding transfers internally and through City Council action.

This account will require an additional \$233,000.00 for the period ending June 30, 2023. The original budgetary line item for the school account was \$750,000.00. Currently, 100% of the budgeted amount has been used with four (4) months remaining in this fiscal year. Anticipated payroll and medical expenses substantiate this request. It is estimated that the Law department would require an additional \$150,000.00 to cover payroll expenses, as well as an additional \$83,000.00 to cover medical expenses, for a total of \$233,000.00. Such a transfer would increase this line item to \$983,000.00 for fiscal year 2023. This figure is slightly higher than the four-year average of \$830,152.54.

FY 2022	FY 2021 (COVID)	FY 2020 (COVID)	FY 2019
\$908,800.03	\$598,157.42	\$794,825.83	\$1,018,826.86

Currently the total number of school injury claims (145) exceeds the number of claims from Police (47), Fire (37), and City (35) combined, (145 versus 119). Although the majority of these school department employees return to work, there is often continuing therapy, prescribed medications and other medical bills related to their specific injury.

Other contributing factors are increases to employees' salaries, as well as, the ever-increasing costs of drugs and medical care.

Very truly yours,


Helene A.A. Tomlinson
City Solicitor

cc: Karen A. Gagnon, Workers' Compensation Agent
Celine Gettings, Office Manager



Thomas A. Golden, Jr.
City Manager

March 21, 2023

Mayor Sokhary Chau
And
Members of the Lowell City Council

Dear Mayor Chau and Members of the Lowell City Council,

I am hereby requesting that the City Council vote to transfer \$233,000 into the Worker Compensation School account from the City Manager's contingency account. The City Solicitor has worked with the CFO and finance team to identify these existing funds to support additional costs associated with claims and medical expenses occurred in FY2023.

It is important to note that this transfer will add no additional burden to the tax levy. Please do not hesitate to let me know if there are any questions.

Sincerely,

Thomas A. Golden, Jr.
City Manager

Cc: Conor Baldwin, Chief Financial Officer
Helene Tomlinson, City Solicitor