

Reply to Common Council File No. 040975  
From DOA-Budget and Management Division

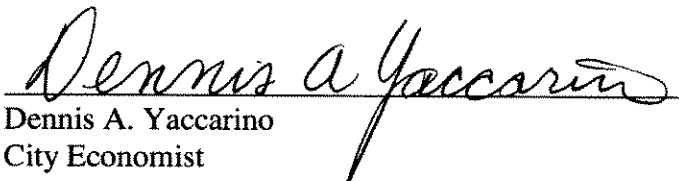
November 15, 2004

Ref: 04009

The Worker's Compensation has experienced greater than anticipated costs from August to October of this year. The added cost is expected to push expenditure above those included in the budget. At this time, it is estimated that the shortfall will be \$510,000.

It appears that there is an increase in cost for the Department of Public Works and the Police Department. However, the number of overall claims is down from 2003. The potential reasons for the increase in cost are a State requirement to process claims more quickly or an increase in the severity of the injuries.

**RECOMMENDATION: ADOPT COMMON COUNCIL RESOLUTION 040975  
THAT TRANSFERS \$510,000 IN THE 2004 COMMON COUNCIL  
CONTINGENT FUND TO THE WORKER'S COMPENSATION SPECIAL  
PURPOSE ACCOUNT.**

  
Dennis A. Yaccarino  
City Economist

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