MEMORANDUM

The City of
OKLAHOMA CITY

TO: Mayor and City Council

FROM: Craig Freeman, City Manager

Joint Resolution with the Oklahoma City Municipal Facilities Authority approving renewal of Workers' Compensation Own Risk Administration Agreement for administration of the City's Workers' Compensation Self Insurance Program; authorizing transfer of funds from the 2023-2024 Risk Management Fund to the Oklahoma City Municipal Facilities Authority as they become available to meet the City's primary liability under the Workers' Compensation Code and the Administrative Workers' Compensation Act.

Background:
This agreement authorizes the Oklahoma Municipal Facilities Authority (OCMFA) to administer the Workers' Compensation program for the City and its related Trusts. Since 1981, the OCMFA has administered the Workers' Compensation Program for the City as authorized by Title 85, Workers' Compensation Code; and Title 85A, the Administrative Workers' Compensation Act; the rules of the Workers' Compensation Commission and the Court of Existing Claims.

The renewal agreement authorizes the Municipal Counselor to handle and settle subrogation claims up to and including $40,000. The agreement authorizes OCMFA and the Risk Manager, as agent, discretionary settlement authority of $20,000 for payment of all qualified claims and losses.

It is in the best interest of The City of Oklahoma City to continue to have the OCMFA administer this program and the parties are desirous of extending this term for the period of July 1, 2023 to June 30, 2024.

Estimated Cost:
$10,555,000 for costs associated with the administration and payment of the Workers' Compensation program. These funds are transferred from the City to the OCMFA.

Term:
July 1, 2023 through June 30, 2024

Source of Funds:
OCMFA Services - Risk/Workers' Compensation - Risk Management MFA - Workers Compensation Claims (682 - 1451 - 2800750 - 52190061)

Review:
Finance

Recommendation: Joint Resolution be adopted.