

# **EMPLOYEE BENEFITS and Related Expenses**

## **DEPARTMENT MISSION**

We partner with customer departments to maximize their human resources so they can deliver the greatest possible level of services to our citizens.

## **PROGRAM DESCRIPTION**

### **Employee Benefits**

Responsible for the delivery and administration of the City's employee and retiree medical benefits programs.

## **OBJECTIVES FOR FY 2003-2004**

- Develop and recommend strategies to ensure ongoing viability of the employee benefits plans
- Conduct a contract compliance and performance audit of the Third Party Administration of medical claims processing

## **MAJOR BUDGET ITEMS**

- Add 9.0 regular FTEs (Supervisor I, Human Resource Analyst G) and \$378,853 for continued Human Resources Information System (HRIS) consolidation
- Add \$469 by implementing Service Incentive Pay program that is consistent with the State mandated Uniform Service Incentive Pay program
- Add 1.0 regular FTE (Senior Benefits Specialist) and \$55,800 to administer employee benefits programs to current employees, retirees and their dependents
- Add \$12,240 as a result of transitioning Employee Health Benefits to a Catastrophic Coverage Program with a Preventive Care component
- Line-Item and Zero Base budget review resulted in savings of \$57,385 from reductions or elimination of printing costs, office supplies, miscellaneous special services, equipment repair, reference books, subscriptions, memberships and professional development
- Line-Item and Zero Base budget review resulted in the deletion of 1.0 regular FTE and \$ 41,500
- Line-Item and Zero Base budget review resulted in the deletion of 1.0 regular FTE (Accountant III) and \$ 55,800 for program savings

## EMPLOYEE BENEFITS and Related Expenses

	FY 2001-02 Actual	FY 2002-03 Budget	FY 2002-03 Estimate	FY 2003-04 Adopted
<b>BEGINNING FUND BALANCE</b>	5,824,810	6,272,542	6,272,542	52,439
<b>REVENUES</b>				
Employee Contributions <small>(See Note 1)</small>	17,058,872	19,425,438	19,570,518	32,031,637
Retiree Contributions <small>(See Note 1)</small>	11,160,780	12,534,224	13,637,952	19,480,673
City Contributions	48,718,607	49,180,800	47,373,832	37,605,206
City Contributions > 65 Retirees <small>(See Note 3)</small>	0	0	0	822,000
Interest and Other	1,154,875	1,250,000	1,175,000	1,150,000
<b>TOTAL REVENUES</b>	78,093,134	82,390,462	81,757,302	91,089,516
<b>EXPENDITURES (By Program)</b>				
Health Benefits <small>(See Notes 1 &amp; 3)</small>	68,699,742	79,893,208	79,173,503	80,692,692
Life Insurance	3,663,539	3,200,000	3,559,816	3,560,000
Vision Services <small>(See Note 2)</small>	504,546	530,716	544,744	545,000
Dental Services <small>(See Note 2)</small>	1,711,730	1,783,400	1,800,079	1,805,000
Voluntary Services <small>(See Note 2)</small>	0	0	305,793	300,000
Short-Term Disability	335,693	320,000	350,000	200,000
Administration	2,730,152	2,290,948	2,243,470	2,786,582
<b>TOTAL EXPENDITURES</b>	77,645,402	88,018,272	87,977,405	89,889,274
<b>ENDING FUND BALANCE</b>	6,272,542	644,732	52,439	1,252,681
<b>EXPENDITURES (By Category)</b>				
Salaries and Benefits	849,607	1,070,609	1,021,649	1,427,827
Supplies and Materials	8,170	28,379	28,393	21,679
Other Services and Charges	76,787,625	86,919,284	86,927,363	88,439,768
Capital Outlays	0	0	0	0
Reimbursements	0	0	0	0
<b>TOTAL</b>	77,645,402	88,018,272	87,977,405	89,889,274

Note 1 - Adopted budget includes projected deductible buy down by participants

Note 2 - Expenditures are fully offset by participant's contributions

Note 3 - Adopted budget includes a \$300 one-time reduction in health benefits premiums for over-65 retirees

## EMPLOYEE BENEFITS and Related Expenses

	FY 2001-02 Actual	FY 2002-03 Budget	FY 2002-03 Estimate	FY 2003-04 Adopted
<b>FTEs (By Type)</b>				
Regular	11.2	19.0	18.0	27.0
Overtime	0.0	0.4	0.0	0.4
Temporary Help	0.3	0.9	0.0	0.9
Day Labor	0.0	0.0	0.0	0.0
<b>TOTAL</b>	11.5	20.3	18.0	28.3
<b>FTEs (By Program)</b>				
Employee Benefits	11.5	20.3	18.0	28.3
<b>TOTAL</b>	11.5	20.3	18.0	28.3

**EMPLOYEE BENEFITS FUNDS** **89,889,274**

**ADDITIONAL OPERATING RESOURCES**

NONE 0

**TOTAL** **0**

**TOTAL OPERATING RESOURCES** **89,889,274**

