

FISCAL YEAR 2018 BUDGET

Fund Summary

Fund Name : Health Benefits
Business Area : Human Resources
Fund No./Bus. Area No. : 9000 / 8000

	<u>FY2017 Current Budget</u>	<u>FY2017 Estimate</u>	<u>FY2018 Budget</u>
Beginning Fund Balance	23,976,866	23,976,866	17,766,904
Current Revenues	357,272,853	360,567,995	388,151,348
Total Available Resources	<u>381,249,719</u>	<u>384,544,861</u>	405,918,252
Maintenance and Operations	366,777,957	366,777,957	387,764,607
Total Expenditures	<u>366,777,957</u>	<u>366,777,957</u>	387,764,607
Planned Ending Fund Balance	<u>14,471,762</u>	<u>17,766,904</u>	18,153,645
Total Budget	<u><u>381,249,719</u></u>	<u><u>384,544,861</u></u>	<u><u>405,918,252</u></u>

The above summarizes the FY2017 Budget, the FY2017 Estimate and the FY2018 Budget for the Health Benefits Fund. Also included are the beginning and ending fund balances, total revenues and total expenditures.

The Health Benefits Fund is an Internal Service Fund established in 1984 to centralize the financial transactions of the City's benefit plans. The benefit plans include health, vision, dental, life insurance, dependent care reimbursement and a health flexible reimbursement arrangement plan. The City also provides five Medicare plans for all eligible retirees age 65 and over, who are covered by Medicare. The medical plans are supported by contributions from the City and subscribers.

The City became self-insured effective May 1, 2011, and initially purchased stop loss insurance. Effective May 1, 2013, the City no longer purchased individual and aggregate stop-loss coverage, and assumed the financial risk of catastrophic and overall claims liability.

HR will enculturate the health benefits provider, educate subscribers on plan design and use, promote wellness initiatives and continue to enhance self-insured accounting, reporting, and internal controls in the fiscal aspects of the plan. The Health Benefits Fund complies with governmental accounting standards mandating balanced budgets for Internal Service Fund.

The FY2018 Active subscriber rates are increasing by 14.90% for Open Access & Consumer Driven Health Plan (CDHP) and 0% for Limited Plans effective May 1, 2017. The City departments' contribution rates will increase by 10.60% in aggregate effective July 1, 2017.

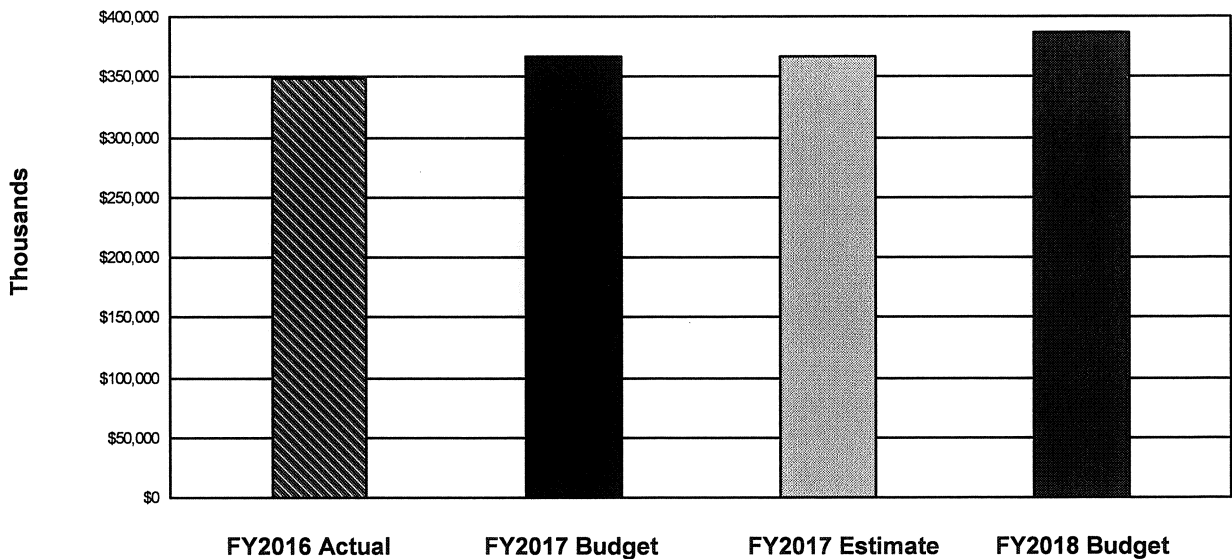
FISCAL YEAR 2018 BUDGET

Business Area Budget Summary

Fund Name : Health Benefits
Business Area : Human Resources
Fund No. /Bus. Area No. : 9000 / 8000

		FY2016 Actual	FY2017 Current Budget	FY2017 Estimate	FY2018 Budget
Expenditures	Personnel Services	5,006,531	4,975,937	4,975,937	5,124,958
	Supplies	60,552	80,450	80,450	98,149
	Other Services and Charges	343,347,395	361,267,070	361,267,070	382,324,612
	Equipment	0	0	0	200,000
	Non-Capital Equipment	28,832	454,500	454,500	16,888
	Total M & O Expenditures	348,443,310	366,777,957	366,777,957	387,764,607
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	348,443,310	366,777,957	366,777,957	387,764,607
Revenues		340,629,244	357,272,853	360,567,995	388,151,348
Staffing	Full-Time Equivalents - Civilian	47.7	50.1	50.1	49.5
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	47.7	50.1	50.1	49.5
	Full-Time Equivalents - Overtime	0.4	0.1	0.1	0.0
Significant Budget Changes and Highlights	<ul style="list-style-type: none"> o The FY2018 Budget provides funding for health benefits, pension contributions and municipal employees contractual (HOPE) pay increases. o The FY2018 Revenue Budget includes the increases in City and subscribers' contributions and active employees and their spouses wellness non-engagement surcharge. o The FY2018 includes funding to identify and benchmark programs to reduce chronic health conditions in both active employee and spousal populations. 				

**Health Benefits
Human Resources
Expenditure Summary**



FISCAL YEAR 2018 BUDGET

Business Area Performance Measures

Fund Name : Health Benefits
Business Area : Human Resources
Fund No. /Bus. Area No. : 9000 / 8000

Performance Measures	FY2016 Actual	FY2017 Budget	FY2017 Estimate	FY2018 Budget
Generic Drug Utilization	N/A	85%	85%	80%
Health Assessment Completion	N/A	89%	89%	50%
Expenditures Adopted Budget vs Actual Utilization	101%	98%	101%	98%
Revenues Adopted Budget vs Actual Utilization	101%	100%	101%	100%

FISCAL YEAR 2018 BUDGET

Division Summary						
Fund Name : Health Benefits Business Area : Human Resources Fund No. /Bus Area No. : 9000 / 8000						
Division Description	FY2016 Actual		FY2017 Estimate		FY2018 Budget	
	FTEs	Costs \$	FTEs	Costs \$	FTEs	Costs \$
HR - Benefits Administration 800012 Administer and analyze City sponsored benefits by utilizing a customer focused approach for employees, retirees, and their dependents. Create a healthy culture throughout the City that positively affects employee productivity and morale, thereby leading the City to be an "employer of choice."	29.4	4,446,495	31.6	5,568,057	28.5	4,652,284
HR - Employee Assistance Program 800013 Offer confidential assessment, referral and short-term counseling to employees with personal concerns that may adversely affect work performance. Serve as a leader in compliance with the Drug Free Workplace Act. Provide consultation and education to supervisors and managers. Serve as a key resource in the prevention and management of workplace violence.	3.0	598,025	2.9	724,338	3.0	655,028
HR - Communications 800014 Communicate to employees their roles in the organization and the importance of providing excellent customer service. Improve employee morale, foster teamwork, recognize employee achievements, inform and educate employees about their benefit choices and foster an environment of wellness.	7.3	790,918	7.6	811,522	8.0	843,107
HR - Benefits Financial/Reporting 800015 Assist in the design, maintenance and interpretation of management reports on operational and financial matters. Prepare the budget and monitor the various benefit plans' financial impact.	8.0	342,607,872	8.0	359,674,040	10.0	381,614,188
Total	47.7	348,443,310	50.1	366,777,957	49.5	387,764,607

FISCAL YEAR 2018 BUDGET

Business Area Revenues Summary

Fund Name : Health Benefits
Business Area : Human Resources
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Category	FY2016 Actual	FY2017 Current Budget	FY2017 Estimate	FY2018 Budget
Intergovernmental	(78,801)	0	0	0
Interest	477,415	486,000	510,053	450,000
Miscellaneous/Other	340,230,630	356,786,853	360,057,942	387,701,348
Grand Total Revenues	<u>340,629,244</u>	<u>357,272,853</u>	<u>360,567,995</u>	<u>388,151,348</u>