

## **General Fund**

### **Self-Insurance Activities**

The City is self-insured for both healthcare and workers compensation costs. The City contracts with third party administrators to facilitate both plans. Self-insurance carries some level of risk but it typically is less expensive than purchasing coverage through premiums. These activities still show premium expense for self-insured retention and aggregate to limit the amount of liability beyond certain levels. The level of liability for the City may change from year to year as insurance carriers try to shift risk to the insured. Each year a cost benefit analysis is done comparing the premium cost with the exposure for potential loss to determine if it is appropriate to take on more risk in order to pay a lower premium.

### **Health Insurance Activities**

The revenues for this activity are derived from City contributions and employee and retiree contributions. The contributions are designated to provide health insurance coverage for employees and their dependents. Retirees may continue insurance at full cost. These activities are separated to ensure that the contributions are sufficient to support the activity.

### **Worker's Compensation Insurance Activities**

The revenues for this activity are derived solely from City contributions. Rather than pay premiums to an insurance company for coverage, the City pays the "premiums" to itself to fund this activity. Premiums are charged to each department based on the amount of wages paid within the department multiplied by the applicable rate of the workers compensation employee class code.

# City of Batavia 2012 Annual Budget

## Fund #15 — Health Benefit Activities Summary

Description	Actual 2009	Actual 2010	Approved Budget 2011	Estimated 2011	Proposed Budget 2012
<b>Surplus and Reserves</b>	<b>\$1,845,587</b>	<b>\$2,161,386</b>		<b>\$2,239,359</b>	<b>\$2,305,140</b>
02 Contributions	\$3,417,372	\$3,328,141	\$3,495,685	\$3,306,780	\$3,406,831
06 Other Revenues	\$437,847	\$688,911	\$315,000	\$30,000	\$57,000
<b>Total Revenue</b>	<b>\$3,855,219</b>	<b>\$4,017,052</b>	<b>\$3,810,685</b>	<b>\$3,336,780</b>	<b>\$3,463,831</b>
Health Benefit Plan	\$3,539,420	\$3,939,079	\$4,013,002	\$3,270,999	\$3,657,728
<b>Total Expense</b>	<b>\$3,539,420</b>	<b>\$3,939,079</b>	<b>\$4,013,002</b>	<b>\$3,270,999</b>	<b>\$3,657,728</b>
<b>Surplus/(Deficit)</b>	<b>\$315,799</b>	<b>\$77,973</b>	<b>( \$202,317)</b>	<b>\$65,781</b>	<b>( \$193,897)</b>
<b>Surplus and Reserves</b>	<b>\$2,161,386</b>	<b>\$2,239,359</b>		<b>\$2,305,140</b>	<b>\$2,111,243</b>

# City of Batavia 2012 Annual Budget

## Revenues

### Fund #15 — Health Benefit Activities

Acct.	Description	Actual 2009	Actual 2010	Approved Budget 2011	Estimated 2011	Proposed Budget 2012
4419	Employee Flex Plan Contrib.	\$89,404	\$104,620	\$104,413	\$120,122	\$120,000
4420	City Self Insurance Transfer	\$2,589,610	\$2,474,588	\$2,597,889	\$2,461,299	\$2,556,817
4425	Employee Ins. Contribution	\$547,505	\$532,838	\$530,089	\$522,207	\$530,014
4430	Non-Employee Ins Premiums	\$190,853	\$216,095	\$263,294	\$203,152	\$200,000
	<b>02 Contributions</b>	<b>\$3,417,372</b>	<b>\$3,328,141</b>	<b>\$3,495,685</b>	<b>\$3,306,780</b>	<b>\$3,406,831</b>
4397	Reimbursements	\$423,720	\$677,133	\$300,000	\$23,000	\$50,000
5000	Investment Income	\$14,127	\$11,778	\$15,000	\$7,000	\$7,000
	<b>06 Other Revenues</b>	<b>\$437,847</b>	<b>\$688,911</b>	<b>\$315,000</b>	<b>\$30,000</b>	<b>\$57,000</b>
	<b>Total Revenue</b>	<b>\$3,855,219</b>	<b>\$4,017,052</b>	<b>\$3,810,685</b>	<b>\$3,336,780</b>	<b>\$3,463,831</b>

# City of Batavia 2012 Annual Budget

## Expenditures

**Fund #15 — Health Benefit Activities**

**Department #40 — Health Benefit Plan**

Acct.	Description	Actual	Actual	Approved	Estimated	Proposed
		2009	2010	Budget 2011	2011	Budget 2012
6128	Life Insurance Premiums	\$36,740	\$40,438	\$41,211	\$38,730	\$41,211
6129	Third Party Administrative Fees	\$93,467	\$98,578	\$95,500	\$95,500	\$98,750
6130	Excess (SIR) Insurance Premiums	\$293,923	\$331,649	\$337,703	\$331,000	\$337,703
6131	Medical & Drug Claims	\$2,965,132	\$3,319,401	\$3,349,861	\$2,628,343	\$3,000,000
6132	Well Vision Care	\$28,413	\$27,858	\$29,500	\$28,000	\$29,500
6133	Flex Plan Section 125	\$86,299	\$101,767	\$104,413	\$120,122	\$120,000
6134	PPO Premiums	\$11,979	\$12,967	\$29,064	\$28,104	\$29,064
6135	Managed Care Fee	\$4,356	\$6,226	\$5,000	\$1,000	\$1,000
6136	Wellness Program	\$18,960	\$0	\$20,000	\$0	\$0
6137	I D Cards & Misc Expense	\$151	\$195	\$750	\$200	\$500
<b>Health Benefit Plan</b>		<b>\$3,539,420</b>	<b>\$3,939,079</b>	<b>\$4,013,002</b>	<b>\$3,270,999</b>	<b>\$3,657,728</b>

# City of Batavia 2012 Annual Budget

## Fund #20 — Worker's Compensation Activities Summary

Description	Actual 2009	Actual 2010	Approved Budget 2011	Estimated 2011	Proposed Budget 2012
<b>Surplus and Reserves</b>	( \$750,631)	( \$76,365)		\$468,818	\$905,253
02 Contributions	\$951,781	\$951,781	\$951,781	\$951,781	\$652,400
06 Other Revenues	\$66,721	\$90,759	\$11,000	\$61,154	\$11,000
<b>Total Revenue</b>	<b>\$1,018,502</b>	<b>\$1,042,540</b>	<b>\$962,781</b>	<b>\$1,012,935</b>	<b>\$663,400</b>
Worker's Compensation Plan	\$344,236	\$497,357	\$776,320	\$576,500	\$612,500
<b>Total Expense</b>	<b>\$344,236</b>	<b>\$497,357</b>	<b>\$776,320</b>	<b>\$576,500</b>	<b>\$612,500</b>
<b>Surplus/(Deficit)</b>	<b>\$674,266</b>	<b>\$545,183</b>	<b>\$186,461</b>	<b>\$436,435</b>	<b>\$50,900</b>
<b>Surplus and Reserves</b>	<b>( \$76,365)</b>	<b>\$468,818</b>		<b>\$905,253</b>	<b>\$956,153</b>

# City of Batavia 2012 Annual Budget

## Revenues

### Fund #20 — Worker's Compensation Activities

Acct.	Description	Actual 2009	Actual 2010	Approved Budget 2011	Estimated 2011	Proposed Budget 2012
4420	City Self Insurance Transfer	\$951,781	\$951,781	\$951,781	\$951,781	\$652,400
	<b>02 Contributions</b>	<b>\$951,781</b>	<b>\$951,781</b>	<b>\$951,781</b>	<b>\$951,781</b>	<b>\$652,400</b>
4397	Reimbursements	\$65,649	\$89,585	\$10,000	\$60,154	\$10,000
5000	Investment Income	\$1,072	\$1,174	\$1,000	\$1,000	\$1,000
	<b>06 Other Revenues</b>	<b>\$66,721</b>	<b>\$90,759</b>	<b>\$11,000</b>	<b>\$61,154</b>	<b>\$11,000</b>
	<b>Total Revenue</b>	<b>\$1,018,502</b>	<b>\$1,042,540</b>	<b>\$962,781</b>	<b>\$1,012,935</b>	<b>\$663,400</b>

# City of Batavia 2012 Annual Budget

## Expenditures

**Fund #20 — Worker's Compensation Activities      Department #20 — Worker's Compensation Plan**

<b>Acct.</b>	<b>Description</b>	<b>Actual</b>	<b>Actual</b>	<b>Approved</b>	<b>Estimated</b>	<b>Proposed</b>
		<b>2009</b>	<b>2010</b>	<b>Budget</b> <b>2011</b>	<b>2011</b>	<b>Budget</b> <b>2012</b>
6129	Third Party Administrative Fees	\$12,000	\$12,000	\$12,500	\$12,500	\$12,500
6130	Excess (SIR) Insurance Premiums	\$117,056	\$95,846	\$90,000	\$90,000	\$100,000
6146	Claims Paid - Medical & Indemnity	\$456,133	\$371,554	\$673,820	\$474,000	\$500,000
6150	Adjustment to Claims Reserve	\$-240,953	\$17,957	\$0	\$0	\$0
<b>Worker's Compensation Plan</b>		<b>\$344,236</b>	<b>\$497,357</b>	<b>\$776,320</b>	<b>\$576,500</b>	<b>\$612,500</b>