

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.

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Fund #15 — Health Benefit Activities Summary

Description	Actual 2006	Actual 2007	Approved Budget 2008	Estimated 2008	Proposed Budget 2009
Surplus and Reserves	(\$521,861)	(\$234,731)		\$1,186,393	\$1,673,113
02 Contributions	\$2,914,760	\$4,035,833	\$3,367,698	\$3,396,909	\$3,377,345
06 Other Revenues	\$511,055	\$603,312	\$125,000	\$125,000	\$190,000
Total Revenue	\$3,425,815	\$4,639,145	\$3,492,698	\$3,521,909	\$3,567,345
Health Benefit Plan	\$3,138,685	\$3,218,021	\$3,533,772	\$3,035,189	\$3,524,820
Total Expense	\$3,138,685	\$3,218,021	\$3,533,772	\$3,035,189	\$3,524,820
Surplus/(Deficit)	\$287,130	\$1,421,124	(\$41,074)	\$486,720	\$42,525
Surplus and Reserves	(\$234,731)	\$1,186,393		\$1,673,113	\$1,715,638

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Revenues

Fund #15 — Health Benefit Activities

Acct.	Description	Actual 2006	Actual 2007	Approved Budget 2008	Estimated 2008	Proposed Budget 2009
4419	Employee Flex Plan Contrib.	\$38,917	\$59,951	\$60,000	\$75,643	\$75,945
4420	City Self Insurance Transfer	\$2,255,573	\$3,292,254	\$2,598,054	\$2,610,173	\$2,583,992
4425	Employee Ins. Contribution	\$484,226	\$530,755	\$551,839	\$550,586	\$544,022
4430	Non-Employee Ins Premiums	\$136,044	\$152,873	\$157,805	\$160,507	\$173,386
	02 Contributions	\$2,914,760	\$4,035,833	\$3,367,698	\$3,396,909	\$3,377,345
4397	Reimbursements	\$511,055	\$589,426	\$125,000	\$100,000	\$175,000
5000	Investment Income	\$0	\$13,886	\$0	\$25,000	\$15,000
	06 Other Revenues	\$511,055	\$603,312	\$125,000	\$125,000	\$190,000
	Total Revenue	\$3,425,815	\$4,639,145	\$3,492,698	\$3,521,909	\$3,567,345

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Expenditures

Fund #15 — Health Benefit Activities

Department # 40 — Health Benefit Plan

Acct.	Description	Actual	Actual	Approved	Estimated	Proposed
		2006	2007	Budget 2008	2008	Budget 2009
6128	Life Insurance Premiums	\$19,039	\$16,157	\$32,266	\$33,117	\$34,773
6129	Third Party Administrative Fees	\$81,082	\$90,067	\$86,934	\$82,405	\$84,259
6130	Excess (SIR) Insurance Premiums	\$256,698	\$278,498	\$285,400	\$281,336	\$297,748
6131	Medical & Drug Claims	\$2,762,622	\$2,739,964	\$2,999,759	\$2,520,051	\$2,952,918
6132	Eye Care Reimbursements	\$11,205	\$9,512	\$11,000	\$8,772	\$20,005
6133	Flex Plan Section 125	\$38,917	\$59,951	\$60,000	\$72,329	\$75,946
6134	PPO Premiums	\$11,080	\$11,247	\$11,771	\$10,721	\$12,000
6135	Managed Care Fee	\$4,987	\$4,462	\$5,000	\$5,708	\$6,421
6136	Wellness Program	\$29,190	\$8,163	\$40,892	\$20,000	\$40,000
6137	I D Cards & Misc Expense	\$496	\$0	\$750	\$750	\$750
6730	Net Accrued Claims Payable	\$-76,631	\$0	\$0	\$0	\$0
Health Benefit Plan		\$3,138,685	\$3,218,021	\$3,533,772	\$3,035,189	\$3,524,820

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Fund # 15 — Health Benefit Activities

Department #40 — Health Benefit Plan

Detail on Significant Items

Account

6136	Wellness Program		
	Expanded Options for Wellness		\$40,000.00
		Total	\$40,000.00

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Fund #20 — Worker's Compensation Activities Summary

Description	Actual 2006	Actual 2007	Approved Budget 2008	Estimated 2008	Proposed Budget 2009
Surplus and Reserves	(\$64,139)	\$108,079		\$143,972	(\$618,179)
02 Contributions	\$475,643	\$499,425	\$492,688	\$498,230	\$951,781
06 Other Revenues	\$12,463	\$31,466	\$20,000	\$156,476	\$35,000
Total Revenue	\$488,106	\$530,891	\$512,688	\$654,706	\$986,781
Worker's Compensation Plan	\$315,888	\$494,998	\$359,500	\$1,416,857	\$504,500
Total Expense	\$315,888	\$494,998	\$359,500	\$1,416,857	\$504,500
Surplus/(Deficit)	\$172,218	\$35,893	\$153,188	(\$762,151)	\$482,281
Surplus and Reserves	\$108,079	\$143,972		(\$618,179)	(\$135,898)

City of Batavia 2009 Annual Budget

Revenues

Fund #20 — Worker's Compensation Activities

Acct.	Description	Actual 2006	Actual 2007	Approved Budget 2008	Estimated 2008	Proposed Budget 2009
4420	City Self Insurance Transfer	\$475,643	\$499,425	\$492,688	\$498,230	\$951,781
	02 Contributions	\$475,643	\$499,425	\$492,688	\$498,230	\$951,781
4397	Reimbursements	\$0	\$0	\$0	\$144,476	\$25,000
5000	Investment Income	\$12,463	\$31,466	\$20,000	\$12,000	\$10,000
	06 Other Revenues	\$12,463	\$31,466	\$20,000	\$156,476	\$35,000
	Total Revenue	\$488,106	\$530,891	\$512,688	\$654,706	\$986,781

City of Batavia 2009 Annual Budget

Expenditures

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

Acct.	Description	Actual	Actual	Approved	Estimated	Proposed
		2006	2007	Budget	2008	Budget
6129	Third Party Administrative Fees	\$11,000	\$11,750	\$12,500	\$12,000	\$12,000
6130	Excess (SIR) Insurance Premiums	\$33,708	\$38,010	\$42,000	\$48,857	\$127,500
6146	Claims Paid - Medical & Indemnity	\$301,287	\$257,502	\$250,000	\$1,151,000	\$450,000
6150	Adjustment to Claims Reserve	\$-34,707	\$187,736	\$50,000	\$200,000	\$-100,000
6355	Contractual Services	\$4,600	\$0	\$5,000	\$5,000	\$15,000
	Worker's Compensation Plan	\$315,888	\$494,998	\$359,500	\$1,416,857	\$504,500

City of Batavia 2009 Annual Budget

Fund # 20 — Worker's Compensation Activities

Department #20 — Worker's Compensation Plan

Detail on Significant Items

Account

6130	Excess (SIR) Insurance Premiums		
	State Loss Fund		\$2,500.00
		Total	\$2,500.00
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6355	Contractual Services		
	Safety Training		\$15,000.00
		Total	\$15,000.00