

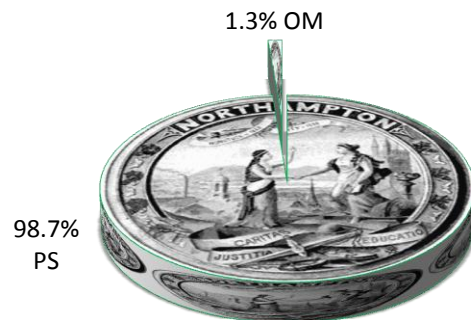
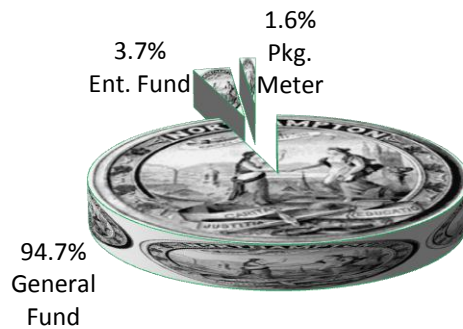
# Employee Health Insurance and Other Benefits

The City provides health insurance to all eligible employees and retirees in accordance with Mass. General Laws ch. 32B. Active employees contribute 20% of the premium costs for either family or individual coverage and the City pays 80%. The City self-insures for employee out-of-pocket expenses for hospital inpatient and day-surgery co-payments.

Upon leaving city employment after 5 or more years, employees are paid a percentage of their accumulated unused sick leave. The city offers employees a basic contributory life insurance policy (city pays 60%). We contract with MIIA for an Employee Assistance Program at no cost to the city. We also pay employer share of Workers Comp and Police / Fire IOD policies to cover work related injuries. Also included are safety trainings and inspections. We are also responsible for unemployment benefits to eligible terminated employees.

## Where The Funding Comes From

*This annual appropriation is supported through the General Fund, Parking Meter Reserve Fund and a charge to the city's Enterprise Funds.*



## Where The Money Goes

*This chart shows how much of the annual appropriation is spent on Personal Services (in the form of employee benefits) and Ordinary Maintenance (benefit administration costs).*

## EMPLOYEE BENEFITS

	Actual FY 2010	Budget FY 2011	Budget FY 2012	\$ Change FY11-12	% Change FY11-12
<b><u>Appropriation by Major Object</u></b>					
Personal Services	10,200,775	10,711,362	10,561,376	(149,986)	-1.4%
Ordinary Maintenance	123,347	139,175	142,220	3,045	2.2%
Other than Ordinary Maintenance	0	0	0	0	0.0%
<b>Total</b>	<b>10,324,122</b>	<b>10,850,537</b>	<b>10,703,596</b>	<b>(146,941)</b>	<b>-1.4%</b>
<b><u>Appropriation by Major Activity</u></b>					
Medical Insurance	9,186,927	9,701,187	9,521,187	(180,000)	-1.9%
Medical Insurance Consultant Serv.	15,000	15,000	15,000	0	0.0%
Worker's Compensation	190,647	247,225	253,406	6,181	2.5%
Police / Fire Injured On Duty Ins.	107,097	121,800	124,845	3,045	2.5%
Payroll Taxes: Social Sec. / Medicare	522,517	512,700	536,533	23,833	4.6%
Unused Sick Leave Buy Back	174,351	174,000	174,000	0	0.0%
Employee Assistance Program	0	0	0	0	0.0%
Unemployment Compensation	84,723	30,000	30,000	0	0.0%
Unemployment Compensation Admin.	1,250	2,375	2,375	0	0.0%
Life Insurance	41,610	46,250	46,250	0	0.0%
<b>Total</b>	<b>10,324,122</b>	<b>10,850,537</b>	<b>10,703,596</b>	<b>(146,941)</b>	<b>-1.4%</b>
<b><u>Financing Plan</u></b>					
General Fund	9,780,040	10,304,314	10,136,670	(167,645)	-1.6%
Parking Meter Fund	143,555	143,555	172,534	28,979	20.2%
Enterprise Fund Charge to General Fund	400,527	402,668	394,392	(8,275)	-2.1%
<b>Total</b>	<b>10,324,122</b>	<b>10,850,537</b>	<b>10,703,596</b>	<b>(146,941)</b>	<b>-1.4%</b>

In the chart above, you will note that the city's cost to provide employee health insurance is actually decreasing by \$180,000, a 1.9% decrease, achieved through a decrease in HMO / PPO premiums offsetting increases in retiree health care and modest plan design changes. Mayor Higgins worked with the city's Insurance Advisory Committee, comprised of union representatives and the Human Resources director, on these plan design changes.