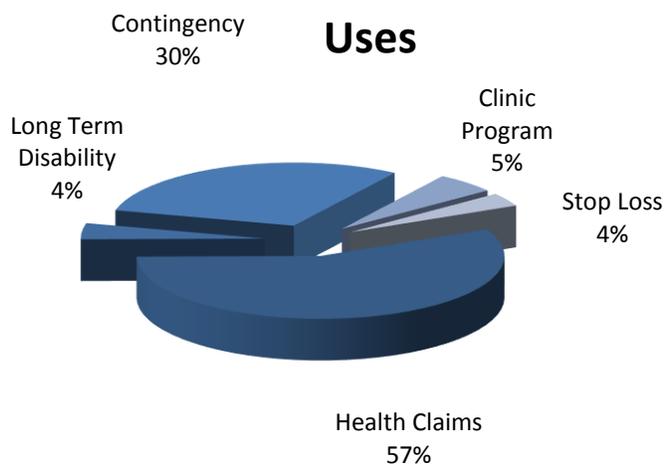
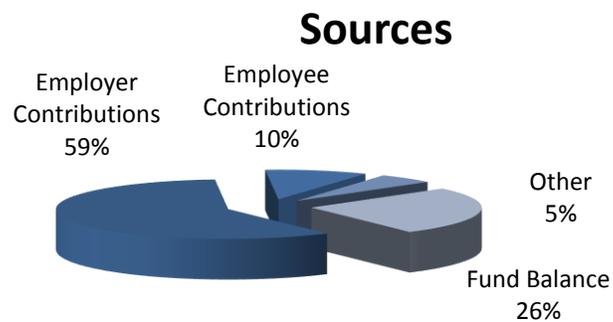


CITY OF PORT ST. LUCIE MEDICAL FUND ANNUAL BUDGET 2014-15

Revenue Source	Amount
Employer Contributions	\$12,156,905
Employee Contributions	2,018,095
Non-Employee Revenue	1,137,446
Fund Balance	5,472,205
Total	\$20,784,651



Expenditure by Function	Amount
Health Claims	\$11,343,893
Long Term Disability	825,000
Contingency	6,057,205
Clinic Program	1,072,220
Stop Loss	690,000
Admin. Charges	796,333
Total	\$20,784,651

Medical Insurance Fund

This fund tracks the accumulation of the employee and employer contributions that fund the total cost of the Health Insurance Program for the city staff. The City is self-insured for Health Insurance and directly benefits from any period of lower claims. A system of internal rates is used to charge the various department budgets based on the number of participants and their type of coverage. Included in this fund's budget is the cost for the City Clinic which is available for the covered employees and dependents.

Major Revenue Source

The largest revenue for this fund is the employer contributions toward employee health insurance. This figure is charged as an expense to the operating departments while it is revenue to this fund. The employer contribution revenue is expected to be ±\$12.2 million while the employee contribution will total \$2 million based on the approved contribution rate. It is projected that ±\$5.5 million will be available as a cash carryforward amount.

The approved union contracts set the employee contributions for the next year based on a 15% ratio for the plans other than single coverage which remains at 8%.

Expenditure Trends

Because the City is self insured for its health insurance program, the claims paid is an ever changing cost number and the largest single cost to this program. Thus far in the current fiscal year, claims cost is running lower than budget. However the cost of stop loss insurance has increased. These trends are reflected in the proposed budget for FY 2014-15. The budget amount for claims (\$11,343,893) offers an increase over the estimated actual amount in the current year, yet is a reduction from the budgeted amount in the current year. Also of note, this fund is budgeting a 60 day / 17% contingency which is required in order to have our self insurance health plan certified by the state. The proposed budget follows the cost estimates that were used to develop the union contracts and the employee contributions.

CITY OF PORT ST. LUCIE
APPROVED BUDGET - MEDICAL FUND #605
FY 2014-15

	AUDITED 2011-12 *****	AUDITED 2012-13 *****	ESTIMATED 2013-14 *****	APPROVED 2014-15 *****
REVENUES & SOURCES:				
Employee Contributions	\$1,292,952	\$1,305,703	\$1,665,000	\$2,018,095
Employer Contribution	11,808,929	11,093,512	11,736,907	12,156,905
Stop Loss Ins. Proceeds	0	1,895,884	0	0
Contributions from OPEB Trust Fund	350,000	804,000	492,446	492,446
Non-Employee Revenue	393,358	383,531	420,000	420,000
Refund of Prior Year Costs	7,639	0	1,013	0
BC/BS Wellness Program Funding	125,000	75,000	50,000	50,000
Interest Income & Misc.	23,894	66,299	25,000	25,000
Refund of Pharmacy Expenses	171,357	144,320	150,000	150,000
Fund Transfer from Operating Funds	0	0	0	0
Budgeted Cash Carryforward	0	0	5,162,825	5,472,205
Totals	<u>\$14,173,130</u>	<u>\$15,768,249</u>	<u>\$19,703,191</u>	<u>\$20,784,651</u>
EXPENDITURES:				
Insurance Program				
Administrative Charges - Administrator	\$575,890	\$576,573	\$610,000	\$650,000
Disability, Vision & Other Ins.	786,933	783,251	825,000	825,000
Stop Loss	404,347	432,186	671,000	690,000
Health/Dental Insurance Claims	10,643,109	11,708,997	10,460,543	10,851,447
Health/Dental Insurance Claims - OPEB (Retire)	0	0	492,446	492,446
City Wellness Program	14,900	1,539	56,000	60,000
Administrative Charges - City	0	82,212	82,213	86,333
Fund Transfer to Operating Funds	0	0	0	0
IBNR Reserve	0	0	0	500,000
Add'l Contingency for Future Years	0	0	0	3,628,743
Financial Policy Contingency	0	0	0	1,928,462
Totals	<u>\$12,425,178</u>	<u>\$13,584,758</u>	<u>\$13,197,202</u>	<u>\$19,712,431</u>
Clinic Program				
Professional Fees	\$754,593	\$757,210	\$800,000	\$825,000
Other Contractual Services	13,443	44,005	75,000	75,000
Communications	1,155	1,118	1,925	1,925
Electricity	3,048	2,539	2,400	2,500
Water	321	327	500	500
Sewer	655	667	1,000	1,000
Cable	1,060	1,030	500	500
Rental of Building	10,056	10,056	10,056	10,056
Debt Service - Repayment to #440 Contingency	0	0	441	459
Training/Education	0	0	5,062	0
Insurance	0	0	901	780
Repairs of Building	6,804	943	4,000	7,500
Administrative Fees	155	150	500	500
Office Supplies	3,250	1,355	1,500	1,500
Operating Supplies	158,739	126,761	130,000	145,000
Training & Education	0	5,062	0	0
Office Equipment (Capital)	1,964	0	0	0
Computers & Computer Hardware	4,404	0	0	0
Improvements - Bldg	155	0	0	0
Totals	<u>\$959,800</u>	<u>\$951,223</u>	<u>\$1,033,785</u>	<u>\$1,072,220</u>
Total Expenditures	<u>\$13,384,979</u>	<u>\$14,535,981</u>	<u>\$14,230,987</u>	<u>\$20,784,651</u>
SURPLUS <DEFICIT>	<u>\$788,151</u>	<u>\$1,232,268</u>	<u>\$5,472,204</u>	<u>\$0</u>