

056 - EMPLOYEE BENEFITS

Operational Summary

Description:

Employee Benefits administers a wide variety of self-funded benefits and group insurance plans for County employees, retirees and their dependents.

Strategic Goals:

- The Employee Benefits Division supports the Human Resources Department's Business and Strategic Plan as they relate to the design, implementation and administration of employee benefits programs.

FY 2006-07 Key Project Accomplishments:

- Negotiated changes to the retiree medical program with 95% of the labor organizations. The changes were implemented and significantly reduced unfunded liability while retaining a restructured retiree medical program.
- Completed application with Centers for Medicare and Medicaid Services (CMS) for Medicare Part D program and began receiving quarterly reimbursements for prescription subsidies (Medicare Part D) available to some of the County's health plans on behalf of its retiree health plan participants.
- Developed program scope, finalized vendor contract, and initial communication campaign for phase I of the Wellness Program which will include a Health Care Management Program with an online Health Risk Assessment Tool, Lifestyle Management programs, a 24/7 Nurse line and e-health website and a variety of Health information materials. Implementation of Phase I is scheduled for FY 07-08.

Employee Benefits - Employee Benefits designs, implements and administers a wide variety of self-funded benefits and insurance plans for County employees, retirees and their dependents.

At a Glance:

Total FY 2006-2007 Projected Expend + Encumb:	2,507,422
Total Recommended FY 2007-2008	2,683,782
Percent of County General Fund:	0.0892048%
Total Employees:	11.00

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- Employee Benefits implemented the County of Orange Benefits Center on January 1, 2003. The Benefits Center allows employees and retirees to access their benefits information via the Web Site and/or the Benefits Center Toll-Free Benefits Resource Line resulting in streamlined administration and enrollment of the Employee Benefits functions. As a result, one position was deleted mid-year of FY 02-03 and 10 positions were deleted in the FY 03-04 budget. From FY 03-04 through FY 07-08, the number of Employee Benefits positions has remained at 11.
- For FY 98-99 through FY 99-00, the number of Employee Benefits positions was lower due to the majority of the employees were Auditor-Controller employees.

Proposed Budget History:

Sources and Uses	FY 2005-2006	FY 2006-2007	FY 2006-2007	FY 2007-2008	Change from FY 2006-2007	
	Actual	Budget As of 3/31/07	Projected ⁽¹⁾ At 6/30/07	Recommended	Projected Amount	Projected Percent
Total Positions	11	11	11	11	0	0.00
Total Revenues	1,119,282	1,332,471	1,379,321	1,458,205	78,884	5.72
Total Requirements	1,347,687	2,671,579	2,532,094	2,683,782	151,688	5.99
Net County Cost	228,405	1,339,108	1,152,773	1,225,577	72,804	6.32

(1) Requirements include prior year encumbrance and expenditures. Therefore, the above totals may not match FY 2006-07 projected requirements included in "At a Glance" (Which exclude these).

Columns may not total correctly due to rounding.

Detailed budget by expense category and by activity is presented for agency: Employee Benefits in the Appendix on page A551

Budget Summary

Plan for Support of the County's Strategic Priorities:

The Employee Benefits Division supports the Human Resources Department's Business and Strategic Plan as they relate to the design, implementation and administration of employee benefits programs.

Changes Included in the Recommended Base Budget:

The Wellness Program budget is being transferred to 298 Self-Insured Benefits Internal Service Fund in the Recommended Base Budget. The Board approved this strategic priority to promote Countywide Wellness for all employees.

056 - Employee Benefits

Summary of Proposed Budget by Revenue and Expense Category:

Revenues/Appropriations	FY 2005-2006		FY 2006-2007		FY 2006-2007		Change from FY 2006-2007	
	Actual	Budget	As of 3/31/07	Projected ⁽¹⁾	At 6/30/07	Recommended	Projected	Percent
Intergovernmental Revenues	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 429,000	\$ 429,000	0.00%
Charges For Services	968,718	1,180,858		1,247,959		969,205	(278,754)	-22.34
Miscellaneous Revenues	150,564	151,613		131,362		60,000	(71,362)	-54.32
Total Revenues	1,119,282	1,332,471		1,379,321		1,458,205	78,884	5.72
Salaries & Benefits	993,614	1,207,718		1,321,628		1,400,386	78,758	5.96
Services & Supplies	3,019,709	5,503,409		3,916,871		4,245,755	328,884	8.40
Intrafund Transfers	(2,665,636)	(4,039,548)		(2,706,405)		(2,962,359)	(255,954)	9.46
Total Requirements	1,347,687	2,671,579		2,532,094		2,683,782	151,688	5.99
Net County Cost	\$ 228,405	\$ 1,339,108		\$ 1,152,773		\$ 1,225,577	\$ 72,804	6.32%

(1) Requirements include prior year encumbrance and expenditures. Therefore, the above totals may not match FY 2006-07 projected requirements included in "At a Glance" (Which exclude these).

Columns may not total correctly due to rounding.