

Employee Benefits

Mission

To provide centralized budgetary and financial control over employee fringe benefits paid by the County.

Focus

Agency 89, Employee Benefits, is a set of consolidated accounts that provide budgetary control for employee fringe benefits paid for all County employees of General Fund agencies.

◆ Group Health Insurance

Fairfax County Government offers its employees and retirees several health insurance alternatives, with the intent of offering options that are both comprehensive and cost effective. A self-insured open access plan (OAP) features a national network of providers with four levels of coverage. One level of coverage has a co-pay structure for office visits and other services, two levels of coverage include co-insurance and modest deductibles, and one level offers a consumer-directed health plan with a health



savings account that is partially funded by the County. In addition, a fully-insured health maintenance organization (HMO) is available, featuring care centers located in communities throughout the area with a co-pay structure for office visits and other services.

All of the County's health insurance plans include self-insured vision benefits and offer eligible preventive care services on a zero-cost basis. In addition, the County offers a disease management program to detect chronic conditions early and provide assistance to those affected to help manage their diseases, resulting in healthier outcomes. The County's self-insured health insurance plans are consolidated under one network provider to control costs, improve analytical capabilities, and provide a high quality of care with an emphasis on wellness, prevention and better management of chronic conditions.

The self-insured health insurance plans are administered through Fund 60040, Health Benefits. For a more detailed discussion of the County's self-insured health fund, refer to Fund 60040 in Volume 2 of the [FY 2020 Adopted Budget Plan](#).

◆ Dental Insurance

Fairfax County Government offers its employees and retirees a two-tiered dental insurance preferred provider organization (PPO) plan in order to provide a comprehensive plan with maximum flexibility. The plan includes the provision of a 50 percent employer contribution for all eligible active employees who elect dental coverage.

◆ Group Life Insurance

Basic group life insurance coverage at one times salary is funded for all County employees solely through an employer contribution. If employees choose to accept life insurance coverage above the basic amount, they are responsible for paying the additional cost based on an age-banded premium rating scale.

◆ Social Security and Medicare (FICA)

Social Security and Medicare contributions represent the employer portion of Federal Insurance Contributions Act (FICA) tax obligations for Fairfax County employees. Social Security contributions

Employee Benefits

are calculated by applying the Social Security portion of the FICA tax rate to salary up to a pre-determined wage base. The Medicare portion of the FICA tax rate is applied to total salary. Any change to the wage base or the FICA tax rate is announced in October/November and takes effect January 1 of the upcoming year.

◆ Retirement

Retirement expenditures represent the General Fund contribution to the three retirement systems as set by employer contribution rates. A corridor approach has been used to set employer contribution rates since it was adopted by the Board of Supervisors in FY 2002. The corridor approach was designed by the County's actuaries to set annual contributions at the level necessary to maintain strong funding ratios in each of the plans while reducing the volatility in the employer contribution rates that is typical for plans that are near fully-funded. In the corridor method of funding, a fixed contribution rate is assigned to each system and the County contributes at the fixed rate unless the system's funding ratio falls outside the pre-selected corridor of 90-120 percent or if benefit enhancements are approved. If the funding ratio falls below 90 percent, the unfunded actuarial accrued liability below 90 percent is amortized over a conservative 15-year period, and this amount is included in the annual employer contribution for each fund.

The corridor approach cushioned the County from dramatic rate adjustments for several years. However, the global financial crisis during FY 2009 resulted in significant losses in the value of the invested assets of all three retirement systems. Because only 90 percent of the unfunded liability was amortized and included in the employer contribution under the corridor approach, the funding ratios have improved, but at a slower pace than desired. As a result, the County has taken multiple steps, including increasing contribution levels and limiting increases in liabilities, to improve the financial position of the retirement systems. These changes have included adopting modifications to the retirement systems for new employees hired on or after January 1, 2013, and again for new employees hired on or after July 1, 2019, tightening the requirements regarding the award of ad-hoc Cost-of-Living Adjustments (COLAs), and increasing contribution rates by adjusting the amortization level of the unfunded liability from 90 percent to 99 percent.

The County is committed to further strengthening the financial position of the systems, and has established a goal to reach a 90 percent funded status for all plans by FY 2025. In order to meet this goal, the County has established the following multi-year strategy:

- In FY 2020, the employer contribution rates will be increased to adjust the amortization level of the unfunded liability from 99 percent to 100 percent. This meets the County's stated goal of including amortization of 100 percent of the unfunded liability in the actuarially determined contributions for all systems by FY 2020. The County will continue to use a conservative 15-year amortization period.
- Until each system reaches 100 percent funded status, employer contributions to that system will not be reduced. Various factors, such as the historical trend of the County's investment returns exceeding the assumed rate of 7.25 percent, could allow employer contribution rates to be reduced from current levels. However, the County is committed to maintaining the rates and redirecting any potential savings into further improvement in the systems' funded positions.
- Any additional unfunded liability created as a result of approved benefit enhancements, such as ad-hoc COLAs, will be fully funded. It is the intent that no adjustments to benefit levels will reduce the funded status of any of the systems.

Employee Benefits

For a more detailed discussion of the County's retirement systems and its retirement funding policy, refer to the Employee Retirement Systems Overview in Volume 2 of the [FY 2020 Adopted Budget Plan](#).

◆ Virginia Retirement System (VRS)

Beginning in FY 1996, VRS funding was provided in Agency 89 for 233 Health Department employees who were converted from state to County employment. Funding reflects required employer contributions paid by the County to VRS for retirement benefits provided to the converted employees. As these employees terminate service with the County, funding for VRS payments will be reduced.

In FY 2006, the Board of Supervisors approved two additional benefits for employees who remain in VRS. First, current and future retirees who participate in a County health plan are eligible to receive the differential between the County retiree health benefit subsidy for which the employee is eligible based on years of service and the subsidy provided by VRS. For a more detailed discussion of this benefit, refer to Fund 73030, OPEB Trust, in Volume 2 of the [FY 2020 Adopted Budget Plan](#). Second, the County began allowing converted employees to use accrued sick leave to purchase additional service credit in VRS upon retirement. Thus, funding for VRS also includes these County payments made on behalf of the employees.

◆ Line of Duty

The Line of Duty Act provides benefits to employees and volunteers of state and local governments who serve in hazardous duty positions. The Act provides for health insurance coverage and a death benefit payment for service-connected death or disability. Prior to FY 2011, the state administered and funded the program. Beginning in FY 2011, the costs of the program were passed on to localities, although the state continues to administer the program.

◆ Flexible Spending Accounts

Health and Dependent Care Flexible Spending Accounts are funded through voluntary employee contributions. Funding in Agency 89 reflects the expense of administering Flexible Spending Accounts through a contract with an outside vendor.

◆ Unemployment Compensation

Unemployment Compensation payments reflect premiums paid to the state based on the actual number of former Fairfax County employees filing claims.

◆ Capital Projects Reimbursements

Capital Projects Reimbursements represent the reimbursable portion of Fringe Benefits for County employees of General Fund agencies who charge a portion of their time to capital projects.

◆ Employee Assistance Program (EAP)

Provision of EAP services, including assessment, intervention, diagnosis, referral, and follow-up for workplace issues as they arise, is provided through a contract with an outside vendor.

◆ Employee Awards Program

Employees that are recognized with Outstanding Performance, Team Excellence, and Managerial Excellence Awards receive a net \$300 cash award, a certificate, and one day of administrative leave.

◆ Employee Development

General training centrally managed by the Organizational Development and Training Division includes all FOCUS training as well as courses related to the Employee Development and Learning

Employee Benefits

Program. The foundation for the program is the Countywide Competency Map for Employee Development, which identifies competencies that promote leadership and learning for the entire County workforce. This map aligns training with required on-the-job skillsets at all levels of the organization. Developmental programs include offerings that build performance capacity in areas ranging from customer service and effective communication skills to conflict resolution and project management. Programs also focus on enhancing succession planning and management by developing current high-performing employees through training and mentoring opportunities.

Technology-related training is offered in recognition of the challenges associated with maintaining skills at the same pace as technology changes. As the County's workforce increasingly leverages information technology, training support has become more essential.

Additionally, in support of providing employees multiple venues for self-development, the County funds the employee tuition assistance (TAP) and language tuition assistance (LTAP) programs.

Budget and Staff Resources

Category	FY 2018 Actual	FY 2019 Adopted	FY 2019 Revised	FY 2020 Advertised	FY 2020 Adopted
FUNDING					
Expenditures:					
Fringe Benefits	\$362,766,578	\$389,922,233	\$388,740,656	\$401,584,222	\$404,522,195
Operating Expenses	1,693,341	1,387,850	1,650,424	1,387,850	1,387,850
Total Expenditures	\$364,459,919	\$391,310,083	\$390,391,080	\$402,972,072	\$405,910,045

FY 2020 Funding Adjustments

The following funding adjustments from the FY 2019 Adopted Budget Plan are spread across the fringe benefit categories detailed below. They are reported in summary here for clarification purposes:

- ◆ **New Positions** **\$4,359,688**
 An increase of \$4,359,688 in Fringe Benefits based on funding for new positions includes the following adjustments. In some cases, funding is required for the full-year impact of positions added in FY 2019 and is not associated with new FY 2020 positions. New positions funded by non-General Fund sources are not included in the list below.
 - Agency 26, Capital Facilities – \$237,616 and 5/5.0 FTE new positions to address the growing workload associated with planned projects in the Capital Improvement Plan. This adjustment is partially offset by an increase of \$166,331 to Capital Project Reimbursements for a net impact to the General Fund of \$71,285.
 - Agency 31, Land Development Services – \$30,681 and 1/1.0 FTE new position to provide proactive education and outreach to businesses and residents engaging in activities requiring permits and inspections.
 - Agency 38, Department of Housing and Community Development – \$73,275 and 1/1.0 FTE new position to support the coordination of FCRHA projects and land use policies as they relate to affordable housing, with an emphasis on the recommendations of the Affordable Housing Resource Panel and Phase I of the Communitywide Housing Strategic Plan.

Employee Benefits

- Agency 57, Department of Tax Administration – \$171,445 and 8/8.0 FTE new positions approved as part of the *FY 2018 Carryover Review* to continue the TARGET program enhancements designed to identify and assess the vehicles of County residents that are not properly registered with the Department of Motor Vehicles or with the Department of Tax Administration.
- Agency 67, Department of Family Services – \$472,290 and 19/19.0 FTE new positions approved as part of the *FY 2018 Carryover Review* to support additional positions in the Public Assistance program associated with Medicaid eligibility expansion, completely offset by an increase in federal and state funding for no net impact to the General Fund; \$283,365 and 8/8.0 FTE new positions approved as part of the *FY 2018 Carryover Review* to support the Adult and Aging Division; \$251,845 and 7/7.0 FTE new positions approved as part of the *FY 2018 Carryover Review* to support the Public Assistance program; \$80,914 to increase capacity at elementary schools in the School-Age Child Care program; \$549,107 and 19/18.5 FTE new positions transferred from Fund 50000, Federal-State Grant, as the positions are more appropriately aligned with the General Fund; \$41,292 and 1/1.0 FTE new position to support the opening of the new Lewinsville Multi-Service Center; \$39,373 and 1/1.0 FTE new position to support evaluation, compliance, and service quality monitoring of Children’s Service Act providers; \$37,484 and 1/1.0 FTE new position to support the medical respite program at the new Bailey’s Crossroads homeless shelter; and \$29,999 and 1/1.0 FTE new position to convert a benefits eligible position to a merit position in the Parenting Education Program.
- Agency 71, Health Department – \$138,255 and 3/3.0 FTE new positions to support the Epidemiology and Population Health program; \$86,418 and 2/2.0 FTE new positions to expand school health nursing for students with complex and chronic health conditions; \$78,746 to fill existing Public Health Nurse positions in the School Health Program; \$47,523 and 1/1.0 FTE new position to support the medical respite program at the new Bailey’s Crossroads homeless shelter; and \$37,484 and 1/1.0 FTE new position to address the growing workload associated with the Rabies Program.
- Agency 79, Department of Neighborhood and Community Services – \$74,302 and 1/1.0 FTE new position to support the opening of the new Lewinsville Multi-Service Center; \$38,913 and 1/1.0 FTE new position to replace Virginia Preschool Initiative Plus grant funding that will not be renewed in FY 2020; and \$19,687 and 1/0.5 FTE new position to implement an Early Childhood Mental Health Consultation System to promote children’s successful social and emotional development.
- Agency 80, Circuit Court and Records – \$76,858 and 2/2.0 FTE new positions to support the new Court Management System to improve document processing.
- Agency 81, Juvenile and Domestic Relations District Court – \$30,720 and 1/1.0 FTE new position to support the County’s successful Diversion First initiative.
- Agency 82, Office of the Commonwealth’s Attorney – \$44,812 and 1/1.0 FTE new position to support the County’s successful Diversion First initiative.
- Agency 85, General District Court – \$25,908 and 1/1.0 FTE new position to support the County’s successful Diversion First initiative.
- Agency 90, Police Department – \$826,323 and 17/17.0 FTE new positions to continue the process of staffing the South County Police Station; \$42,291 and 1/1.0 FTE new position to support the County’s successful Diversion First initiative; \$285,131 associated with the Board-directed

Employee Benefits

consultant study recommendations related to uniformed Relief Sergeants staffing; \$179,335 to support the County's ongoing efforts to address the growing opioid crisis in Fairfax County; and \$92,555 and 2/2.0 FTE new positions to support additional Animal Protection Police.

- Agency 91, Office of the Sheriff – \$45,772 and 1/1.0 FTE new position to support the County's successful Diversion First initiative.
- Agency 92, Fire and Rescue Department (FRD) – \$56,300 and 1/1.0 FTE new position to support the County's successful Diversion First initiative.

◆ **Realignments** **\$182,038**

A net increase of \$182,038 in Fringe Benefits based on realignments of existing positions in the Legislative-Executive Functions area includes the following adjustments:

- Agency 02, Office of the County Executive – an increase of \$207,038 associated with 3/3.0 FTE new positions and 2/2.0 FTE positions transferred to the General Fund as a result of the creation of the new Office of Environmental and Energy Coordination.
- Agency 03, Department of Clerk Services – a decrease of \$25,000 associated with position reductions as a result of the creation of the new Department of Clerk Services through a reorganization within the Legislative-Executive Functions area.

◆ **Employee Compensation** **\$12,101,602**

An increase of \$12,101,602 in Personnel Services includes \$6,610,174 for a 2.10 percent market rate adjustment (MRA) for all employees; \$2,842,751 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2019; \$2,479,940 for FY 2020 merit and longevity increases (including the full-year impact of FY 2019 increases) for uniformed employees awarded on the employees' anniversary dates; as well as \$168,737 for adjustments to the Sheriff's Office organizational structure and pay policies to implement a 3.0 percent increase to the C-scale pay plan.

The following funding adjustments from the FY 2019 Adopted Budget Plan are necessary to support the FY 2020 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the Budget on May 7, 2019.

◆ **Group Health Insurance** **(\$2,070,179)**

Health Insurance premiums total \$108,424,432, a decrease of \$2,070,179, or 1.9 percent, from the FY 2019 Adopted Budget Plan. A decrease of \$6,790,369 is based on year-to-date FY 2019 experience, including savings of \$1,927,946 resulting from continued efforts to encourage plan migration out of the County's highest-cost health plan. This decrease is partially offset by an increase of \$2,616,304 to reflect the impact of projected premium increases of 5.0 percent for all health insurance plans, effective January 1, 2020. An increase of \$800,125 is based on the full-year impact of January 2019 premium adjustments. An additional net increase of \$1,303,761 is based on adjustments to reflect the inclusion of new positions and the realignment of programs within the Legislative-Executive Functions area.

◆ **Dental Insurance** **(\$45,743)**

Dental Insurance premiums total \$4,253,665, a decrease of \$45,743, or 1.1 percent, from the FY 2019 Adopted Budget Plan. A decrease of \$202,430 is based on year-to-date FY 2019 experience. This decrease is partially offset by an increase of \$102,364 to reflect the impact of projected premium increases of 5.0 percent, effective January 1, 2020. An additional net increase of \$54,323 is based on

Employee Benefits

adjustments to reflect the inclusion of new positions and the realignment of programs within the Legislative-Executive Functions area.

- ◆ **Group Life Insurance** **\$262,051**
Life Insurance premiums total \$2,548,980, an increase of \$262,051, or 11.5 percent, over the FY 2019 Adopted Budget Plan. An increase of \$174,094 is based on year-to-date FY 2019 experience. An increase of \$61,361 is based on projected premium increases effective January 1, 2020. An additional net increase of \$26,596 is based on adjustments to reflect the inclusion of new positions and the realignment of positions within the Legislative-Executive Functions area.

- ◆ **Social Security and Medicare (FICA)** **(\$153,705)**
Social Security and Medicare contributions total \$52,159,374, a decrease of \$153,705, or 0.3 percent, from the FY 2019 Adopted Budget Plan. A decrease of \$2,800,626 is based on year-to-date FY 2019 experience. This decrease is partially offset by a net increase of \$552,095 based on adjustments to reflect the inclusion of new positions and the realignment of positions within the Legislative-Executive Functions area. An increase of \$2,094,826 for employee compensation includes \$1,143,152 for a 2.10 percent MRA for all employees, \$604,858 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2019; \$319,663 for FY 2020 merit and longevity increases (including the full-year impact of FY 2019 increases) for uniformed employees awarded on the employees' anniversary dates; as well as \$27,153 for adjustments to the Sheriff's Office organizational structure and pay policies to implement a 3.0 percent increase to the C-scale pay plan.

Note: The Social Security wage base is \$132,900 as of January 1, 2019, for the 6.20 percent base contribution rate. The wage base against which the 1.45 percent rate for Medicare is applied remains unlimited. The overall Social Security rate remained unchanged at 7.65 percent. The wage base and/or rate change for January 1, 2020 is not yet known; any subsequent adjustments to the Social Security wage base with a fiscal impact will be included at a quarterly review during FY 2020.

- ◆ **Retirement (Fairfax County Employees', Uniformed, Police Officers)** **\$15,938,815**
Employer contributions to the retirement systems total \$236,173,925, an increase of \$15,938,815, or 7.2 percent, over the FY 2019 Adopted Budget Plan. An increase of \$6,494,755 is based on projected increases in the employer contribution rates (*see discussion below for further details*). A net increase of \$2,771,282 is based on adjustments to reflect the inclusion of new positions and the realignment of positions within the Legislative-Executive Functions area. An increase of \$10,006,776 for employee compensation includes \$5,467,022 for a 2.10 percent MRA for all employees and \$2,237,893 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2019; \$2,160,277 for FY 2020 merit and longevity increases (including the full-year impact of FY 2019 increases) for uniformed employees awarded on the employees' anniversary dates; as well as \$141,584 for adjustments to the Sheriff's Office organizational structure and pay policies to implement a 3.0 percent increase to the C-scale pay plan. These increases are partially offset by a decrease of \$3,333,998 based on year-to-date FY 2019 experience.

Employer Contribution Rate Adjustments

As a result of the County's policy to increase the employer contribution rates to include amortization of 100 percent of the unfunded liability in the actuarially determined contributions for each of the systems by FY 2020, the employer contribution rates for all three systems include the impact of a change to the amortization schedule to increase the amortization of the unfunded actuarial accrued liability from 99 percent to 100 percent. This change results in an increase in the employer contribution rate for the Employee's and Police Officers systems. However, savings resulting from

Employee Benefits

FY 2018 experience fully offset the required increase from this change in the Uniformed system, resulting in no net increase in the employer contribution rates for that system.

The following table shows the FY 2019 contribution rates and final rates for FY 2020, as well as the net General Fund impact based solely on the change in the rates.

Fund	FY 2019 Rates (%)	FY 2020 Rates (%)	Percentage Point Increase (%)	Reason for Increase	General Fund Impact
Employees'	27.14	28.35	1.21	0.54 percentage points due to valuation results based on FY 2018 experience and 0.67 percentage points based on the change in the amortization schedule.	\$4,702,865
Uniformed	38.84	38.84	0.00	No change is included as the required contribution rate including an increase in the amortization schedule is lower than the FY 2019 rate. As a result of the County's commitment to not reduce the contribution rate until the system reaches 100 percent funded status, no change is included.	\$0
Police	40.10	41.60	1.50	0.19 percentage points due to valuation results based on FY 2018 experience and 1.31 percentage points due to an increase in the amortization schedule.	\$1,791,890
Total					\$6,494,755

For a more detailed discussion of the County's retirement systems, refer to the Employee Retirement Systems Overview in Volume 2 of the [FY 2020 Adopted Budget Plan](#).

- Virginia Retirement System (VRS)** **(\$56,643)**
 Virginia Retirement System contributions total \$436,680, a decrease of \$56,643, or 11.5 percent, from the [FY 2019 Adopted Budget Plan](#). This decrease is based on year-to-date FY 2019 experience. The number of employees covered by VRS has decreased from 233 in FY 1996 at the program's inception to an estimated 28 in FY 2020.
- Line of Duty** **\$39,409**
 Expenditures to fund benefits for County employees covered under the Line of Duty Act total \$1,714,761, an increase of \$39,409, or 2.4 percent, over the [FY 2019 Adopted Budget Plan](#). This increase is based on year-to-date FY 2019 experience.
- Flexible Spending Accounts** **\$40,253**
 Administrative expenses associated with the County's flexible spending account program total \$179,304, an increase of \$40,253, or 28.9 percent, over the [FY 2019 Adopted Budget Plan](#). This increase is based on year-to-date FY 2019 experience.
- Unemployment Compensation** **(\$68,595)**
 Unemployment Compensation expenditures total \$101,858, a decrease of \$68,595, or 40.2 percent, from the [FY 2019 Adopted Budget Plan](#). This decrease is based on year-to-date FY 2019 experience.
- Capital Project Reimbursements** **\$693,034**
 Capital Project reimbursements total \$2,101,834, a decrease of \$693,034, or 24.8 percent, from the [FY 2019 Adopted Budget Plan](#). This decrease includes \$859,365 based on year-to-date FY 2019 experience, partially offset by an increase of \$166,331 due to new positions within the Office of Capital Facilities.

Employee Benefits

- ◆ **Employee Assistance Program (EAP)** **\$21,265**
Employee Assistance Program expenditures total \$271,050, an increase of \$21,265, or 8.5 percent, over the FY 2019 Adopted Budget Plan. This increase is based on year-to-date FY 2019 experience.
- ◆ **Tuition Reimbursement** **\$0**
Tuition Reimbursement expenditures total \$360,000, and remain unchanged from the FY 2019 Adopted Budget Plan. Funding includes \$300,000 for Tuition Assistance Program (TAP) reimbursements and \$60,000 for Language Tuition Assistance Program (LTAP) reimbursements.
- ◆ **Employee Awards Program** **\$0**
Funding for cash awards for recipients of Outstanding Performance, Team Excellence, and Managerial Excellence Awards totals \$215,000 and remains unchanged from the FY 2019 Adopted Budget Plan.
- ◆ **Employee Development Initiatives** **\$0**
Funding for employee development initiatives totals \$1,172,850, and remains unchanged from the FY 2019 Adopted Budget Plan.

FY 2020 funding includes the following:

- \$1,092,850 is included for General County Training programs including competency development courses offered using a framework targeted towards employee needs at each career stage, as well as succession planning initiatives.
- \$50,000 is included for information technology training in recognition of the challenges associated with maintaining skills at the same pace as technology changes.
- \$30,000 is included for countywide initiatives including performance measurement training.

Changes to FY 2019 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2019 Revised Budget Plan since passage of the FY 2019 Adopted Budget Plan. Included are all adjustments made as part of the FY 2018 Carryover Review, FY 2019 Third Quarter Review, and all other approved changes through April 30, 2019.

- ◆ **Carryover Adjustments** **\$3,042,433**
As part of the *FY 2018 Carryover Review*, the Board of Supervisors approved funding of \$3,042,433, including \$282,574 in encumbered funding in Operating Expenses and a net increase of \$1,259,859 in Fringe Benefits to support new positions in the Department of Family Services and Department of Tax Administration. In addition, an increase of \$1,500,000 in unencumbered funding was included for one-time employer contributions to the retirement systems as a result of eliminating the 5 percent Social Security offset for service-connected disability that was approved as part of the *FY 2018 Third Quarter Review* to prefund this one-time FY 2019 requirement.
- ◆ **Third Quarter Adjustments** **(\$3,961,436)**
As part of the *FY 2019 Third Quarter Review*, the Board of Supervisors approved a net decrease of \$3,961,436, including a decrease of \$4,061,436 to reflect fringe benefit savings from the concerted educational campaign that has resulted in migration out of the County's high-cost copay plan into other more cost-effective co-insurance and consumer-directed health plans. In addition to savings for the County, these movements also result in out-of-pocket savings to County employees. This decrease was partially offset by an increase of \$100,000 to provide a \$250 matching contribution to the County's defined contribution plan for non-merit, benefits-eligible employees.

Employee Benefits

Summary of Employee Benefit Costs by Category

BENEFIT CATEGORY	FY 2018 Actual	FY 2019 Adopted	FY 2019 Revised	FY 2020 Advertised	FY 2020 Adopted	Amount Inc/(Dec) over Adopted	% Inc/ (Dec) over Adopted
FRINGE BENEFITS							
Group Health Insurance	\$104,998,691	\$110,494,611	\$106,827,049	\$108,377,938	\$108,424,432	(\$2,070,179)	(1.9%)
Dental Insurance	4,082,595	4,299,408	4,315,819	4,251,728	4,253,665	(45,743)	(1.1%)
Group Life Insurance	2,421,289	2,286,929	2,293,222	2,548,008	2,548,980	262,051	11.5%
FICA	48,816,633	52,313,079	52,544,257	51,745,896	52,159,374	(153,705)	(0.3%)
Employees' Retirement	94,345,719	105,567,066	106,879,169	115,368,595	116,900,291	11,333,225	10.7%
Uniformed Retirement	63,113,623	66,238,243	67,138,243	66,169,570	66,508,739	270,496	0.4%
Police Retirement	44,173,869	48,429,801	48,429,801	52,160,668	52,764,895	4,335,094	9.0%
Virginia Retirement System	434,755	493,323	493,323	436,680	436,680	(56,643)	(11.5%)
Line of Duty	1,618,337	1,675,352	1,675,352	1,714,761	1,714,761	39,409	2.4%
Flexible Spending Accounts	147,820	139,051	139,051	179,304	179,304	40,253	28.9%
Unemployment Compensation	165,716	170,453	170,453	101,858	101,858	(68,595)	(40.2%)
Capital Project Reimbursements	(2,147,550)	(2,794,868)	(2,794,868)	(2,101,834)	(2,101,834)	693,034	(24.8%)
Employee Assistance Program	218,066	249,785	249,785	271,050	271,050	21,265	8.5%
Tuition Reimbursement	377,015	360,000	380,000	360,000	360,000	0	0.0%
Total Fringe Benefits	\$362,766,578	\$389,922,233	\$388,740,656	\$401,584,222	\$404,522,195	\$14,599,962	3.7%
OPERATING EXPENSES							
Employee Awards Program	\$265,792	\$215,000	\$215,000	\$215,000	\$215,000	\$0	0.0%
Employee Development Initiatives	1,427,549	1,172,850	1,435,424	1,172,850	1,172,850	0	0.0%
Total Operating Expenses	\$1,693,341	\$1,387,850	\$1,650,424	\$1,387,850	\$1,387,850	\$0	0.0%
TOTAL EMPLOYEE BENEFITS	\$364,459,919	\$391,310,083	\$390,391,080	\$402,972,072	\$405,910,045	\$14,599,962	3.7%