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 most employee fringe benefits paid by the County. Benefits paid for all County employees of General Fund agencies are expended from this agency, as well as most benefits paid for County employees in Non-General Fund agencies. Reimbursements are received from Non-General Fund agencies for benefits paid on behalf of their employees.

- **Group Health Insurance**

Fairfax County Government offers its employees and retirees several health insurance alternatives, with the intent of offering employees options that are both comprehensive and cost effective. Self-insured plan options include point of service, preferred provider option, and an open access plan (OAP), which combines aspects of both a point of service and preferred provider option plan. A fully-insured Health Maintenance Organization (HMO) is also available. The County's current selection of health insurance alternatives is a result of revisions enacted in FY 2007. As of December 31, 2006, the County's contracts with its HMO providers expired, and the contract for the self-insured products was set to expire on December 31, 2007. As a result, the County partnered with Fairfax County Public Schools and undertook a selection process in calendar year 2006 to choose new providers for all health insurance products in order to leverage the County's position in the marketplace and achieve competitive rates. In addition to implementing the self-insured OAP option effective January 1, 2007, enhanced vision benefits were also instituted across all health insurance plans as a result of the selection process. It should be noted that the County also intends to examine plans related to Medicare Part D to aid in finalizing an approach to the implementation of this new prescription drug benefit product. However, this examination will not be completed until the market for Medicare Part D products further matures.

It should be noted that the self-insured health insurance choices are administered through Fund 506, Health Benefits Trust Fund. For a more detailed discussion of the County's self-insured health trust fund, refer to Fund 506 in Volume 2 of the FY 2008 Adopted Budget Plan.

- **Dental Insurance**

Fairfax County Government offers its employees and retirees a dental insurance preferred provider option in order to provide a comprehensive plan with maximum flexibility. The new dental insurance plan became effective January 1, 2005, and replaced three plans with a single dental insurance Preferred Provider Organization (PPO) plan. Included for the first time as part of the new offering was the provision of a 50 percent employer contribution for all eligible active employees who elected dental coverage. Inclusion of an employer contribution as part of the award of contract allowed the County to acquire a high quality, affordable dental insurance plan. It should be noted that retirees that participated in the dental plans that were replaced were given the option to enroll in the new PPO plan on a voluntary basis with no employer contribution.

- **Group Life Insurance**

Life insurance coverage for employees, as approved by the Board of Supervisors beginning in FY 1999, provides basic group life insurance coverage at one times salary for all County employees funded 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 (FICA)**

Social Security contributions represent the employer portion of salary required to meet Social Security and Medicare tax obligations for Fairfax County employees. Social Security contributions are calculated utilizing a combined rate which includes the portion of salary contributed for Social Security benefits and the portion of salary contributed for Medicare benefits applied to a pre-determined wage base. Any change to the wage base or the Social Security rate is announced in October/November and takes effect January 1 of the upcoming year.

- **Retirement**

Retirement expenditures represent the General Fund net contribution to the three retirement systems as set by employer contribution rates. On March 18, 2002 the Board of Supervisors adopted a corridor approach to employer contributions. The corridor approach adds further stability to the employer contribution rates and continues to adequately fund the Retirement Systems. 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.

In addition, retirees are eligible to receive a Cost-of-Living Adjustment (COLA) composed of a base COLA which is the lesser of the Consumer Price Index (CPI) for the 12 months ending on the previous year's March 31, or 4.0 percent. An additional 1.0 percent COLA can be awarded at the discretion of each retirement system's Board of Trustees. This additional COLA is considered a benefit enhancement and results in an increase in the employer contribution rate.

A Deferred Retirement Option Plan (DROP) was added as a benefit enhancement for members of the Uniformed and Police Officers Retirement Systems in FY 2004 and was added for members of the Employees' Retirement System in FY 2006. For a more detailed discussion of the County's retirement systems, refer to Fund 600, Uniformed Retirement, Fund 601, Fairfax County Employees' Retirement, and Fund 602, Police Officers Retirement, in Volume 2 of the FY 2008 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 the County's share of payments made into VRS for the converted employees. It should be noted that VRS payments are included only for these converted employees. As they terminate service with the County or transfer to other positions within 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 500, Retiree Health Benefits Fund, in Volume 2 of the FY 2008 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, beginning in FY 2007, funding for VRS in Agency 89, Employee Benefits, also includes these County payments made on behalf of the employees.

- **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 who charge a portion of their time to capital projects.

- **Training**

General training centrally managed by the Organization Development and Training Division includes: language skills training to recruit and retain bilingual staff to better serve foreign-born residents; the employee tuition assistance (TAP) and language tuition assistance (LTAP) reimbursement programs; and courses related to the new Employee Development and Learning Program implemented in calendar year 2006. The foundation of this new learning approach is the Countywide Competency Map for Employee Development, which identifies competencies that promote leadership and learning for the entire County workforce and aligns training and competencies to all levels in the organization. The competency map promotes the concept that "Leadership Can Happen at Every Level", and contains lists of leadership competencies (i.e. knowledge, skills, and abilities) such as conflict resolution, customer service, and project management, for employees at every level in the organization.

Countywide initiatives include designated training approved by the County Executive and Deputy County Executives, performance measurement training, and expenses associated with the County Executive's specially designated task forces.

Technology-related training is offered in recognition of the challenges associated with maintaining skills at the same pace as technology changes. The rate of change in information technology has out-paced the County's ability to maintain proficiency. As the County's workforce becomes increasingly dependent on information technology, training support has become more essential.

- **Language Skills Proficiency Pay**

In FY 2007, a Language Skills Proficiency pay program was created to attract and retain employees with bilingual language skills. Many County departments are increasingly turning to employees with bilingual skills to provide direct service to Limited English Proficiency (LEP) customers in an effort to better serve the diverse community. Employees that provide direct service to LEP customers for at least 35 percent or more of their work time are eligible for the language skills stipend.

- **Employee Assistance Program (EAP)**

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

- **Other Operating/Capital Equipment**

The operating expenses of the Employees Advisory Council (EAC) are funded utilizing one-third of 85 percent of the actual revenues realized from vending machine sales.

Employee Benefits

Budget and Staff Resources

Agency Summary					
Category	FY 2006 Actual	FY 2007 Adopted Budget Plan	FY 2007 Revised Budget Plan	FY 2008 Advertised Budget Plan	FY 2008 Adopted Budget Plan
Expenditures:					
Fringe Benefits Expenditures	$205,977,885	$231,986,687	$232,133,372	$244,102,095	$244,924,121
Fringe Benefits Reimbursements	(40,743,531)	(40,863,372)	(40,863,372)	(44,523,498)	(44,605,208)
Net General Fund Fringe Benefits	**$165,234,354**	**$191,123,315**	**$191,270,000**	**$199,578,597**	**$200,318,913**
Personnel Services	$0	$0	$0	$0	$0
Operating Expenses[1]	1,314,711	2,908,846	3,380,544	3,498,452	3,498,452
Capital Equipment	0	0	0	0	0
Total Expenditures	**$166,549,065**	**$194,032,161**	**$194,650,544**	**$203,077,049**	**$203,817,365**

[1] Includes Training, Conferences, and Other Operating Expenses.

FY 2008 Funding Adjustments

The following funding adjustments from the FY 2007 Revised Budget Plan are necessary to support the FY 2008 program:

- **Group Health Insurance** **$3,168,417**
  Health Insurance premiums total $62,451,139, an increase of $3,168,417, or 5.3 percent, over the *FY 2007 Revised Budget Plan*. The increase includes $2,703,114 based on a projected average increase of 5.0 percent for all County health insurance plans, effective January 1, 2008, and $465,303 based on adjustments to reflect the inclusion of new positions. The large percentage increases experienced by most employers earlier this decade have somewhat mitigated, and the County's experience mirrors this trend. However, advances in medical technology, the increasing cost of medical malpractice and liability insurance, and increased utilization will continue to drive increases in medical costs.

- **Dental Insurance** **$843,709**
  Dental Insurance premiums total $3,246,970, an increase of $843,709, or 35.1 percent, over the *FY 2007 Revised Budget Plan*. The increase includes $823,816 based on a projected premium increase of 10.0 percent, effective January 1, 2008, and increased employee participation, and $19,893 based on adjustments to reflect the inclusion of new positions.

- **Group Life Insurance** **$38,252**
  Life Insurance premiums total $1,950,872, an increase of $38,252, or 2.0 percent, over the *FY 2007 Revised Budget Plan*. The increase includes $87,733 based on a projected premium increase of 10.0 percent, effective January 1, 2008; $66,378 associated with salary adjustments necessary to support the County's compensation program for merit increases and pay for performance; $31,441 based on the FY 2008 Market Index of 2.92 percent included for employees on the public safety pay scales (C, F, O and P), effective the first full pay period of FY 2008; and $18,935 to reflect the inclusion of new positions. These increases are partially offset by a decrease of $157,964 based on projected savings in FY 2007 and a decrease of $8,271 associated with the across-the-board reduction necessary to meet budget limitations based on available revenues as a result of a flattening residential real estate market.

- **Social Security (FICA)** **$1,359,265**

  Social Security contributions total $43,805,186, an increase of $1,359,265, or 3.2 percent, over the *FY 2007 Revised Budget Plan*. The increase includes $1,500,217 associated with salary adjustments necessary to support the County's compensation program for merit increases and pay for performance and to reflect the change in the federally set maximum pay base against which contributions are calculated; $406,119 based on the FY 2008 Market Index of 2.92 percent included for employees on the public safety pay scales (C, F, O and P), effective the first full pay period of FY 2008; and $306,287 to reflect the inclusion of new positions. These increases are partially offset by a decrease of $695,164 due to projected savings in FY 2007 and a decrease of $158,194 associated with the across-the-board reduction necessary to meet budget limitations based on available revenues as a result of a flattening residential real estate market.

  Note: The Social Security wage base increases from $94,200 to $98,400 as of January 1, 2007 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 remains unchanged at 7.65 percent. The wage base and/or rate change for January 1, 2008 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 2008.

- **Retirement (Fairfax County Employees', Uniformed, Police)** **$2,888,189**

  FY 2008 employer contributions to the retirement systems total $87,507,315, an increase of $2,888,189, or 3.4 percent, over the *FY 2007 Revised Budget Plan*. The increase includes $2,391,277 associated with salary adjustments necessary to support the County's compensation program for merit increases and pay for performance; $1,841,110 based on the FY 2008 Market Index of 2.92 percent included for employees on the public safety pay scales (C, F, O and P), effective the first full pay period of FY 2008; $570,318 to reflect the inclusion of new positions; and $2,347,898 based on projected increases in the employer contribution rates (*see table below for further details*), partially offset by a decrease of $4,071,134 based on projected savings in FY 2007 and a decrease of $191,280 associated with the across-the-board reduction necessary to meet budget limitations based on available revenues as a result of a flattening residential real estate market.

  The increase in rates for FY 2008 follows the current effective actuarial funding policy whereby contribution rates are adjusted to fund approved benefit enhancements and/or to recognize funding adjustments required when the funding ratio is below 90 percent or above 120 percent.

  Adjustments Associated with the Corridor

  - As a result of the June 30, 2006 actuarial valuation, based on the investment returns experienced by the fund and actuarial losses related to liabilities, the funding ratio for the Employees' system decreased to 85.2 percent, still remaining below the 90 percent threshold. As a result, the employer contribution rate for the Employees' system increased 0.30 percent. The Police Officers and Uniformed systems remain within the corridor at 90.8 percent and 91.2 percent respectively, with no adjustment to the contribution rate.

  Increases Associated with Benefit Enhancements

  - The employer contribution rate for the Police Officers system increased 0.45 percent based on an elective 1.0 percent cost of living adjustment approved by the system's Board of Trustees and an additional 1.00 percent due to a corresponding decrease in the employee contribution rate of 1.00 percent, from 12.00 to 11.00 percent of pay. This decrease in the employee contribution rate will reduce Police Officers' out-of-pocket costs and make the Police benefits package more competitive with surrounding jurisdictions. More specifically, the percentage of pay that Police Officers contribute to the retirement system is higher in Fairfax County than in several surrounding localities. Moreover, because Police Officers do not participate in Social Security, nor receive Social Security benefits unless they qualify through other employment, Police Officers' net income replacement ratio at retirement is lower than that of other County retirees who do participate in Social Security. Lowering the employee contribution rate will provide Police with a more equitable and competitive benefits package. This requires a corresponding 1.00 percentage point increase in the employer contribution rate to make up for lost revenues. It is anticipated that additional adjustments will be made in subsequent years to continue to reduce the employee contribution rate for the Police Officers system.

The following table shows the FY 2007 contribution rates and projected rates for FY 2008 as included in the FY 2008 Advertised Budget Plan. It should be noted that the net General Fund impact solely based on the change in the rates is reflected in the table below:

Fund	FY 2007 Rates (%)	FY 2008 Advertised Rates (%)	Percentage Point Increase (%)	Reason for Increase	General Fund Impact
Uniformed	26.01	**26.01**	0.00	No change.	$0
Employees'	9.25	**9.55**	0.30	Increase of 0.30 percent and $909,661 based on funding ratio below approved 90% level.	$909,661
Police	19.55	**21.00**	1.45	Increase of 0.45 percent and $438,237 based on an elective 1% COLA and an increase of 1.00 percent and $1,000,000 due to a corresponding 1.00 percent decrease in the employee contribution rate from 12.00 to 11.00 percent of pay.	$1,438,237
				Total	**$2,347,898**

- **Virginia Retirement System (VRS)** **($157,986)**
  Virginia Retirement System contributions total $1,298,685, a decrease of $157,986, or 10.8 percent, from the *FY 2007 Revised Budget Plan*. The decrease is due to anticipated savings of $207,882 in FY 2007, partially offset by an increase of $49,896 associated with salary adjustments necessary to support the County's compensation program for pay for performance. Note: The number of employees covered by VRS has decreased from 233 in FY 1996 at the program's inception to 106 in FY 2008.

- **Capital Projects Reimbursements** **$291,293**
  Capital Projects reimbursements total $1,002,364, a decrease of $291,293, or 22.5 percent, from the *FY 2007 Revised Budget Plan*. The reduction is associated with an anticipated decrease in reimbursements for those employees who charge a portion of their time to capital projects.

- **Training** **$125,452**
  Training funding totals $2,977,850, an increase of $125,452, or 4.4 percent, over the *FY 2007 Revised Budget Plan*. The increase is primarily due to the creation of a $1,000,000 Compensation Study Reserve, partially offset by one-time encumbered carryover of $471,698 at the *FY 2006 Carryover Review* and a reduction of $402,850 in task force funding primarily associated with the one-time funding of a comprehensive compensation study in FY 2007.

  Total FY 2008 training funding includes the following:

  - $669,050 for General County Training programs including competency development courses offered using a framework targeted towards employee needs at each career stage.
  - $678,800 is included for countywide initiatives including designated training approved by the County Executive and the Deputy County Executives, performance measurement training, and expenses associated with specially designated task forces and special studies.
  - $50,000 is included to continue funding for Microsoft Outlook training for new employees and to provide refresher courses as needed.

- $220,000 is included to continue funding information technology training in recognition of the challenges associated with maintaining skills at the same pace as technology changes.

- $300,000 is included for Tuition Assistance Program (TAP) reimbursements.

- $60,000 is included for Language Tuition Assistance Program (LTAP) reimbursements.

- $1,000,000 is included for a Compensation Study Reserve created to assist agencies in the implementation of recommendations resulting from the comprehensive review of the County's compensation system, as well as funding for a classification review of all 800 County job classes.

♦ **Other Benefits** **($130,086)**
A net decrease of $130,086 from the *FY 2007 Revised Budget Plan* reflects the contributions for Unemployment Compensation and the Employees Advisory Council, with the decrease being primarily attributable to an anticipated decline in Unemployment Compensation expenses and a reduction in the contribution to the Employees Advisory Council based on the calculation methodology which takes one-third of 85 percent of the actual revenues realized from vending machine sales.

NOTE THE FOLLOWING ADJUSTMENTS ARE SPREAD ACROSS THE FRINGE BENEFIT CATEGORIES DETAILED ABOVE. THEY ARE REPORTED IN SUMMARY HERE FOR CLARIFICATION PURPOSES:

♦ **Personnel Services Reduction** **($357,745)**
A decrease of $357,745 in Fringe Benefits as part of an across-the-board reduction to meet budget limitations based on available revenues as a result of a flattening residential real estate market. This adjustment impacts Life Insurance premiums, Social Security contributions, and employer contributions to the Uniformed, Employees', and Police Retirement Systems.

♦ **Market Adjustments** **$2,278,670**
A net increase of $2,278,670 in Fringe Benefits based on the FY 2008 Market Index of 2.92 percent is included for employees on the public safety pay scales (C, F, O and P), effective the first full pay period of FY 2008. This adjustment impacts Life Insurance premiums, Social Security contributions, and employer contributions to the Uniformed and Police Retirement Systems.

♦ **New Positions** **$1,380,736**
A net increase of $1,380,736 in Fringe Benefits based on funding for new positions including:

- Agency 08, Department of Facilities Management - 2/2.0 SYE new positions associated with the maintenance requirements of new facilities scheduled to open in FY 2008;

- Agency 52, Fairfax County Public Library – 34/17.0 SYE new positions associated with the opening of the new Oakton Library, scheduled to open in late summer 2007 and the new Burke Library, scheduled to open in spring 2008;

- Agency 67, Department of Family Services – 3/3.0 SYE new positions associated with the opening of a new School-Age Child Care (SACC) room at Key Center;

- Agency 70, Department of Information Technology – 5/5.0 SYE new positions associated with the opening of the Public Safety and Transportation Operations Center (PSTOC), scheduled for spring/summer 2008;

- Agency 81, Juvenile and Domestic Relations District Court – 2/2.0 SYE new positions associated with the new juvenile holding center that will be part of the expansion of the Courthouse and 1/1.0 SYE new position to support the Electronic Records Management System (ERMS);

- Agency 90, Police Department – 5/5.0 SYE new positions associated with the opening of the PSTOC, 1/1.0 SYE new Police Psychologist, 8/8.0 SYE new positions for the Domestic Violence Detective program, 1/1.0 SYE new position associated with the Court-Based Victim Advocacy Justice Center, 2/2.0 SYE new Police Officers for the Department's Criminal Justice Academy, and 2/2.0 SYE new positions for the Department's Animal Services Division; and

- Agency 92, Fire and Rescue Department – 4/4.0 SYE new positions associated with the opening of the PSTOC.

Board of Supervisors' Adjustments

The following funding adjustments reflect all changes to the FY 2008 Advertised Budget Plan, as approved by the Board of Supervisors on April 30, 2007:

♦ **Reduction in the Social Security Offset for Service-Connected Disability Benefits $566,070**

A net increase of $566,070 due to a reduction in the Social Security offset multiplier from 64 percent to 40 percent for service-connected disability benefits, effective July 1, 2007 for the Uniformed and Employees' Retirement Systems. For those members of the Uniformed system who submitted applications for a service-connected disability retirement prior to December 9, 1996, their benefit is 66-2/3 percent of salary at retirement. If retired on or after December 9, 1996, there are two possible levels of benefit. The standard benefit is 40 percent of salary and a severe service-connected disability benefit is 90 percent of salary. All three levels are offset by Social Security benefits. This offset occurs regardless of age unless the Social Security benefit is based on a disability other than that for which the employee was retired. If the retiree is not eligible for Social Security disability benefits and is eligible to receive a Social Security benefit based on age, for those with a 66-2/3 or a 90 percent benefit, there is an offset of the age-based Social Security benefit that occurs at age 62, their first date of eligibility for Social Security benefits. The service-connected disability benefit in the Employees' system is 66-2/3 percent of salary. This benefit is offset by Social Security disability benefits received at any age or, at age 62, of the age-based Social Security benefit. As a result of the Board's decision, the Social Security offset in both the Uniformed and Employees' systems is reduced from 64 percent to 40 percent for both disability and age-based Social Security benefits. It should be noted that, since Police Officers do not earn eligibility for Social Security during their employment, there is no Social Security offset in the Police Officers system.

As a result of this benefit enhancement, the employer contribution rates for the Uniformed and Employees' systems are required to increase. These adjustments to the employer contribution rates from the FY 2008 Advertised Budget Plan are summarized below:

Fund	FY 2008 Advertised Rates (%)	FY 2008 Adopted Rates (%)	Percentage Point Change (%)	Change in General Fund Impact
Uniformed	26.01	**26.33**	0.32	$444,782
Employees'	9.55	**9.59**	0.04	$121,288
			Total	**$566,070**

♦ **FY 2008 Retirement Contribution Rates**
The following table shows the FY 2007 contribution rates and final rates for FY 2008:

Fund	FY 2007 Rates (%)	FY 2008 Rates (%)	Percentage Point Change (%)	Reason for Increase
Uniformed	26.01	**26.33**	0.32	Reduction in the Social Security offset multiplier from 64 to 40 percent
Employees'	9.25	**9.59**	0.34	Required funding adjustment based on funding ratio below approved 90% level and the reduction in the Social Security offset multiplier from 64 to 40 percent
Police Officers	19.55	**21.00**	1.45	Adjustment based on the elective 1% COLA approved and adjustment due to a 1.00 percent decrease in the employee contribution rate from 12.00 to 11.00 percent of pay.

♦ **Social Security (FICA) Adjustment** **$174,246**
A net increase of $174,246 due to an adjustment in Social Security contributions necessary to support the County's compensation program.

Changes to FY 2007 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2007 Revised Budget Plan since passage of the FY 2007 Adopted Budget Plan. Included are all adjustments made as part of the FY 2006 Carryover Review and all other approved changes through December 31, 2006:

♦ **Carryover Adjustments** **$618,383**
As part of the *FY 2006 Carryover Review*, the Board of Supervisors approved encumbered funding of $471,698 in Operating Expenses, as well as $146,685 in Fringe Benefits associated with the creation of 10/10.0 SYE new positions.

The following funding adjustments reflect all approved changes to the FY 2007 Revised Budget Plan from January 1, 2007 through April 23, 2007. Included are all adjustments made as part of the FY 2007 Third Quarter Review:

♦ The Board of Supervisors made no adjustments to this agency.

Employee Benefits

The following chart summarizes Employee Benefit costs and associated reimbursements from Non-General Fund agencies and from capital projects.

Summary of Employee Benefits Costs by Category

BENEFIT CATEGORY	FY 2006 Actual	FY 2007 Adopted	FY 2007 Revised	FY 2008 Advertised	FY 2008 Adopted	Amount Inc/(Dec)	% Inc/ (Dec)
Fringe Benefits							
Group Health Insurance							
Expenditures	$66,515,423	$70,426,513	$70,477,675	$74,947,843	$74,947,843	$4,470,168	6.3%
Reimbursements	(11,940,932)	(11,194,953)	(11,194,953)	(12,496,704)	(12,496,704)	(1,301,751)	11.6%
Net Cost	**$54,574,491**	**$59,231,560**	**$59,282,722**	**$62,451,139**	**$62,451,139**	**$3,168,417**	**5.3%**
Dental Insurance							
Expenditures	$2,857,509	$2,952,316	$2,954,448	$3,892,364	$3,892,364	$937,916	31.7%
Reimbursements	(1,286,382)	(551,187)	(551,187)	(645,394)	(645,394)	(94,207)	17.1%
Net Cost	**$1,571,127**	**$2,401,129**	**$2,403,261**	**$3,246,970**	**$3,246,970**	**$843,709**	**35.1%**
Group Life Insurance							
Expenditures	$2,305,474	$2,554,600	$2,557,998	$2,713,250	$2,713,250	$155,252	6.1%
Reimbursements	(569,381)	(645,378)	(645,378)	(762,378)	(762,378)	(117,000)	18.1%
Net Cost	**$1,736,093**	**$1,909,222**	**$1,912,620**	**$1,950,872**	**$1,950,872**	**$38,252**	**2.0%**
FICA							
Expenditures	$49,192,035	$54,038,710	$54,082,036	$56,512,343	$56,686,589	$2,604,553	4.8%
Reimbursements	(12,595,372)	(11,636,115)	(11,636,115)	(12,707,157)	(12,707,157)	(1,071,042)	9.2%
Net Cost	**$36,596,663**	**$42,402,595**	**$42,445,921**	**$43,805,186**	**$43,979,432**	**$1,533,511**	**3.6%**
Employees' Retirement							
Expenditures	$35,022,701	$41,063,358	$41,110,025	$44,218,555	$44,404,197	$3,294,172	8.0%
Reimbursements	(13,338,870)	(13,043,878)	(13,043,878)	(15,364,605)	(15,428,959)	(2,385,081)	18.3%
Net Cost	**$21,683,831**	**$28,019,480**	**$28,066,147**	**$28,853,950**	**$28,975,238**	**$909,091**	**3.2%**
Uniformed Retirement							
Expenditures	$32,135,983	$39,690,793	$39,690,793	$38,635,391	$39,097,529	($593,264)	(1.5%)
Reimbursements	0	(2,419,009)	(2,419,009)	(1,474,956)	(1,492,312)	926,697	(38.3%)
Net Cost	**$32,135,983**	**$37,271,784**	**$37,271,784**	**$37,160,435**	**$37,605,217**	**$333,433**	**0.9%**
Police Retirement							
Expenditures	$16,727,287	$19,360,390	$19,360,390	$21,562,870	$21,562,870	$2,202,480	11.4%
Reimbursements	0	(79,195)	(79,195)	(69,940)	(69,940)	9,255	(11.7%)
Net Cost	**$16,727,287**	**$19,281,195**	**$19,281,195**	**$21,492,930**	**$21,492,930**	**$2,211,735**	**11.5%**
Virginia Retirement System	**$935,516**	**$1,456,671**	**$1,456,671**	**$1,298,685**	**$1,298,685**	**($157,986)**	**(10.8%)**
Unemployment Compensation	**$285,957**	**$443,336**	**$443,336**	**$320,794**	**$320,794**	**($122,542)**	**(27.6%)**
Miscellaneous Reimbursements	**($52,843)**	**$0**	**$0**	**$0**	**$0**	**$0**	**--**
Capital Project Reimbursements	**($959,751)**	**($1,293,657)**	**($1,293,657)**	**($1,002,364)**	**($1,002,364)**	**$291,293**	**(22.5%)**
Total Fringe Benefits:							
Expenditures	**$205,977,885**	**$231,986,687**	**$232,133,372**	**$244,102,095**	**$244,924,121**	**$12,790,749**	**5.5%**
Reimbursements	**($40,743,531)**	**($40,863,372)**	**($40,863,372)**	**($44,523,498)**	**($44,605,208)**	**($3,741,836)**	**9.2%**
Total Fringe Benefits	**$165,234,354**	**$191,123,315**	**$191,270,000**	**$199,578,597**	**$200,318,913**	**$9,048,913**	**4.7%**
Operating Expenses							
Tuition/Training	$1,006,247	$2,380,700	$2,852,398	$2,977,850	$2,977,850	$125,452	4.4%
Other Operating	39,037	46,720	46,720	39,176	39,176	(7,544)	(16.1%)
Language Proficiency Pay	0	198,528	198,528	198,528	198,528	0	0.0%
Employee Assistance Program	269,427	282,898	282,898	282,898	282,898	0	0.0%
Total Operating Expenses	**$1,314,711**	**$2,908,846**	**$3,380,544**	**$3,498,452**	**$3,498,452**	**$117,908**	**3.5%**
TOTAL EXPENDITURES	**$207,292,596**	**$234,895,533**	**$235,513,916**	**$247,600,547**	**$248,422,573**	**$12,908,657**	**5.5%**
TOTAL REIMBURSEMENTS	**($40,743,531)**	**($40,863,372)**	**($40,863,372)**	**($44,523,498)**	**($44,605,208)**	**($3,741,836)**	**9.2%**
NET COST TO THE COUNTY	**$166,549,065**	**$194,032,161**	**$194,650,544**	**$203,077,049**	**$203,817,365**	**$9,166,821**	**4.7%**