

Fund S62000: Health and Flexible Benefits

Focus Fund S62000, Health and Flexible Benefits, provides for the administration of health and dental care benefit plans for employees and retirees. In addition, the Health and Flexible Benefits Fund administers two Flexible Spending Accounts, which enable employees to realize savings by setting aside pre-tax dollars, through Fairfax County Public Schools (FCPS) payroll deductions, for eligible health care and dependent care costs. FY 2024 expenditures are estimated at \$488.8 million.

Fund S62000: Health and Flexible Benefits

FUND STATEMENT

Category	FY 2022 Actual	FY 2023 Adopted Budget Plan	FY 2023 Revised Budget Plan ¹	FY 2024 Superintendent's Proposed
Beginning Balance	\$124,021,193	\$121,681,881	\$93,126,301	\$75,028,162
Revenue:				
Employer/Employee Premiums	\$326,443,076	\$361,479,502	\$361,479,502	\$375,798,868
Retiree/Other Health Premiums	59,428,519	65,744,403	65,744,403	69,313,185
Interest Income and Rebates	52,321,758	49,299,642	49,299,642	56,079,047
Flexible Spending Account Withholdings	11,890,714	11,000,000	11,000,000	12,097,442
Total Revenue²	\$450,084,067	\$487,523,547	\$487,523,547	\$513,288,542
Total Available	\$574,105,260	\$609,205,428	\$580,649,848	\$588,316,704
Expenditures:				
Health Benefits Paid	\$371,758,862	\$396,318,585	\$396,318,586	\$381,185,222
Premiums Paid	77,752,471	82,645,001	82,645,001	81,772,703
Health Administrative Expenses	14,855,117	15,743,179	15,912,322	12,997,962
Flexible Spending Accounts Reimbursements	11,617,596	10,000,000	10,000,000	12,097,442
FSA Administrative Expenses	204,913	182,790	182,790	215,159
Claims Incurred but not Reported (IBNR)	26,670,000	22,442,987	27,232,987	27,232,987
IBNR Prior Year Credit	(21,880,000)	(21,880,000)	(26,670,000)	(26,670,000)
Total Expenditures²	\$480,978,959	\$505,452,542	\$505,621,686	\$488,831,475
Premium Stabilization Reserve ³	\$0	\$103,752,886	\$75,028,162	\$99,485,229
Total Disbursements	\$480,978,959	\$609,205,428	\$580,649,848	\$588,316,704
Ending Balance	\$93,126,301	\$0	\$0	\$0
Outstanding Encumbered Obligations	\$169,144	\$0	\$0	\$0
Premium Stabilization Reserve ³	92,957,157	0	0	0
Unreserved Balance	\$0	\$0	\$0	\$0

¹ The *FY 2023 Revised Budget Plan* reflects adjustments adopted by the Fairfax County School Board on January 12, 2023 during the *FY 2023 Mid-Year Review*. These midyear adjustments will be reflected in the County schedules and appropriations as part of the *FY 2023 Third Quarter Review*, which will be acted on by the Board of Supervisors on May 2, 2023.

² In order to account for FY 2022 revenues and expenditures in the appropriate fiscal year, audit adjustments of \$421,394 have been reflected as an increase to FY 2022 revenue and audit adjustments of \$1,742,244 have been reflected as an increase to FY 2022 expenditures. Details of the audit adjustments will be included in the FY 2023 Third Quarter package.

³ The Premium Stabilization Reserve is appropriated for budgeting purposes to offset fluctuations in health insurance costs during the fiscal year. This reserve is to be carried forward as beginning balance for FY 2024.