

## Fund S62000 Public School 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 2019 expenditures are estimated at \$431.7 million.



# Fund S62000

## Public School Health and Flexible Benefits

### FUND STATEMENT

#### Fund S62000, Public School Health and Flexible Benefits

	FY 2017 Actual	FY 2018 Adopted Budget Plan	FY 2018 Revised Budget Plan <sup>1</sup>	FY 2019 Superintendent's Proposed
<b>Beginning Balance</b>	\$38,752,031	\$39,871,404	\$54,658,784	\$51,716,932
Revenue:				
Employer/Employee Premiums	\$301,932,987	\$315,366,743	\$315,809,290	\$334,544,823
Retiree/Other Health Premiums	55,725,427	62,403,215	59,034,774	61,939,202
Interest Income and Rebates	23,738,558	18,075,000	22,397,000	25,178,556
Flexible Spending Account Withholdings	9,412,742	9,000,000	9,160,000	9,160,000
<b>Total Revenue<sup>2</sup></b>	\$390,809,714	\$404,844,958	\$406,401,064	\$430,822,581
<b>Total Available</b>	\$429,561,745	\$444,716,362	\$461,059,848	\$482,539,513
Expenditures:				
Health Benefits Paid	\$299,389,071	\$324,315,590	\$322,375,983	\$337,484,878
Premiums Paid	55,014,923	54,698,425	61,952,110	70,721,565
Health Administrative Expenses	13,986,868	14,108,340	13,889,323	13,292,034
Flexible Spending Accounts Reimbursements	9,115,710	8,859,000	9,000,000	9,000,000
FSA Administrative Expenses	155,389	141,000	160,000	160,000
Claims Incurred but not Reported (IBNR)	19,655,000	21,826,000	21,620,500	22,701,525
IBNR Prior Year Credit	(22,414,000)	(22,120,000)	(19,655,000)	(21,620,500)
<b>Total Expenditures<sup>2</sup></b>	\$374,902,961	\$401,828,355	\$409,342,916	\$431,739,502
Premium Stabilization Reserve <sup>3</sup>	\$0	\$42,888,007	\$51,716,932	\$50,800,011
<b>Total Disbursements</b>	\$374,902,961	\$444,716,362	\$461,059,848	\$482,539,513
<b>Ending Balance</b>	\$54,658,784	\$0	\$0	\$0
Undelivered Orders	\$3,464	\$0	\$0	\$0
Premium Stabilization Reserve	54,655,320	0	0	0
<b>Unreserved Balance</b>	\$0	\$0	\$0	\$0

<sup>1</sup> The *FY 2018 Revised Budget Plan* reflects adjustments adopted by the Fairfax County School Board on December 14, 2017 during the *FY 2018 Midyear Review*. The Fairfax County School Board adjustments will be officially reflected in the County's *FY 2018 Third Quarter Review*, which will be acted on by the Board of Supervisors on April 24, 2018.

<sup>2</sup> In order to account for revenues and expenditures in the proper fiscal year, audit adjustments in the amount of \$19,144 have been reflected as an increase to FY 2017 revenue and audit adjustments in the amount of \$5,810,359 have been reflected as a decrease to FY 2017 expenditures. Details of the 2017 audit adjustments will be included in the FY 2018 Third Quarter package.

<sup>3</sup> 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 2019.