

**CITY OF HOMER
2010 OPERATING BUDGET**

Internal Service Fund

Self Insurance Health Fund

The purpose of this fund is to provide a self insurance health insurance policy for full time and regular part time employees.

Leave Cash Out Bank

The purpose of this fund is to maintain a balance for when employees retire or cash out their leave.

**CITY OF HOMER
2010 OPERATING BUDGET**

**NARRATIVE
INTERNAL SERVICE FUND - HEALTH INSURANCE FUND**

General Objectives: To provide a self-insured health insurance plan for all regular full and part-time employees.

The City provides medical, Dental and vision benefits for employees and their dependents. Meritain, a third party administrator processes claims and payments. The City also contracts with an insurance company to provide stop loss coverage for claims over \$45,000 and coverage for a total annual liability.

Medical costs continue to rise nationwide. The City annually reviews our plan for cost saving measures and compares costs to private insurance plans.

FUND: 600 Self Insurance Health Fund

FUND BUDGET:	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2010 Budget	FY2011 Projection
Revenues:					
Interest Income	\$ -	\$ -	\$ -	\$ -	\$ -
Other Income (Rebates)		\$ 2,724			
Ot From Other Funds	1,580,347	1,675,709	1,881,647	2,069,812	2,276,793
Total Revenues:	1,580,347	1,678,433	1,881,647	2,069,812	2,276,793
Expenses:					
Operations & Maintenance	1,443,013	1,737,894	1,844,040	2,028,444	2,231,288
Total Expenses:	1,443,013	1,737,894	1,844,040	2,028,444	2,231,288
Change in Net Assets	137,334	(59,460)	37,607	41,368	45,505
Beginning Net Assets	140,197	277,531	218,070	255,677	297,045
Ending Net Assets	\$ 277,531	\$ 218,070	\$ 255,677	\$ 297,045	\$ 342,550

LINE ITEM EXPLANATIONS

Expenses for the City's Self Insurance Health Plan. The 2010 expenses are at a 5% increase from 2009 Budgeted figures.

**CITY OF HOMER
2010 OPERATING BUDGET**

**NARRATIVE
LEAVE CASH OUT BANK**

The purpose of this fund is to maintain a balance for employee's accrued leave, for when employees retire or cash out their leave.

FUND: 610 Leave Cash Out Fund

FUND BUDGET:	FY2007 Actual	FY2008 Actual	FY2009 Budget	FY2010 Budget	FY2011 Projection
Revenues:					
Interest Income	\$ -	\$ -	\$ -	\$ -	\$ -
Ot From Other Funds	140,000	160,000	225,000	185,000	203,500
Total Revenues:	140,000	160,000	225,000	185,000	203,500
Expenses:					
Operations & Maintenance	132,536	185,660	225,000	185,000	203,500
Total Expenses:	132,536	185,660	225,000	185,000	203,500
Change in Net Assets	7,464	(25,660)	-	-	-
Beginning Net Assets	-	7,464	(18,196)	(18,196)	-
Ending Net Assets	7,464	(18,196)	(18,196)	(18,196)	-

<p>The amount transferred for Employee's Leave Cash Out was based on 65% of the anticipated Retiree's and Annual Leave Cash Out. It is broken down as follows: General Fund: 114,602, Water \$12,785, Sewer \$18,064, and Port & Harbor \$39,549</p>

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“WHERE THE LAND ENDS AND THE SEA BEGINS”

**CITY OF HOMER
2010 OPERATING BUDGET**

**FUND 610
Leave Cash Out**

Acct #	2008				2009				2010			
	Beg Bal	Transfers In	Expenditures	End Balance	Beg Bal	Transfers In	Expenditures	End Balance	Beg Bal	Transfers In	Expenditures	End Balance
Beginning Balance	7,464			7,464	(18,196)			(18,196)	(18,196)			(18,196)
4992 Annual Transfer		160,000		160,000		225,000		225,000		185,000		185,000
5xxx Expenditures				-				-				-
Expected Cash Outs			185,660	(185,660)			225,000	(225,000)			185,000	(185,000)
Encumbered				-				-				-
Ending Balance	7,464	160,000	185,660	(18,196)	(18,196)	225,000	225,000	(18,196)	(18,196)	185,000	185,000	(18,196)

Actual Leave Cash Out	2009 Actual -			2009 Budget	Aggregate
	2007	2008	7/09		
5106 General Fund	76,986	108,235	85,865	114,602	513,994
5106 Water	12,337	6,753	8,987	12,785	57,342
5106 Sewer	33,087	15,242	3,592	18,064	61,815
5106 Port & Harbor	10,126	55,429	5,146	39,549	177,379
Total	132,536	185,660	103,589	185,000	829,731

Anticipated Leave Cash Outs	Salaries	Benefits	Total	
Anticipated Retiree's & Other Cash Outs	140,079	70,040	210,119	
Anticipated Annual Cash Out	70,000	5,355	75,355	
	210,079	75,395	285,474	185,558 Used 65% of expected

Do not print - analysis only

Eligible for retirements - Anticipated Retiree's				
Bascher	14035.5	7017.75	21,053	
John Borole	11727	6863.5	17,591	
Dan Cornalis	28,760	14380	43,140	
Jan Jankov	28,274	14137	42,411	
George Tyers	11,805	5982.5	17,858	
Terry Overton		0	-	Retired in 2009
Jim Nelson	11,230	5615	16,845	
Tara Haggarty		0	-	Retired in 2009
Eialna Grabswski	24,883	12441.6	37,325	
Bonnie Judge	12,835	6467.5	19,403	
Randy Rosencrans	4,143	2071.5	6,216	
Gary Richardson	10,275	5137.4	15,412	
Kathy George	7,674	3837	11,511	
Jimi Hobbs				Retiring in 2009
	140,079	70,040	210,119	